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# USSR Report

ECONOMIC AFFAIRS



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ECONOMIC AFFAIRS**

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ECONOMIC POLICY, ORGANIZATION AND MANAGEMENT

GOSSNAB OFFICIAL EVALUATES ECONOMIC EXPERIMENT

Moscow MATERIAL' NO-TEKHNICHESKOYE SNABZHENIYE in Russian No 2, Feb 85 pp 6-12

/Article by B. Yakovlev, deputy chairman of the Gossnab USSR: "Economic Experiment: Results and Prospects"/

/Text/ In his speech at the meeting of the Politburo of the CPSU Central Committee on 15 November 1984 Comrade K. U. Chernenko, general secretary of the CPSU Central Committee, chairman of the Presidium of the USSR Supreme Soviet, stressed that we must more energetically engage in an improvement in management and in the entire economic mechanism. This work was initiated by the experiment for an expansion of the independence and responsibility of enterprises of five ministries. This year another 21 Union and republic ministries have joined the experiment.

Under these conditions the tasks facing the organs of the statewide system of material and technical supply also become more complex. Their role and responsibility for an efficient and regular provision of participants with resources and an economical and rational utilization of material values rise.

Extensive and purposeful work on improving the economic mechanism is carried out in our country. Special significance is attached to improving the planning of the activity of production associations and enterprises and to creating conditions, which would stimulate qualitative and highly productive labor, initiative and enterprise and ensure an acceleration of scientific and technical progress and production intensification.

Along with a systematic and persistent introduction of forms and methods of management, which have proved their value, effective measures to extend the rights of enterprises in planning and economic activity, to ensure their truly proprietary interest in the attainment of a high efficiency of production and to intensify responsibility for the results of work are implemented. All these measures are directed toward the further improvement and strengthening of centralized economic management in combination with the development of democratic principles in the guidance of the national economy, enhancement of the role of labor collectives in the management of production associations and enterprises and extensive introduction of cost accounting.

Under the new conditions an important role is assigned to the large-scale experiment in industry aimed at increasing the independence of enterprises, to an improvement in their production activity, to the solution of social problems for the purpose of stimulating labor collectives, to a bolder and more active search for efficient methods of management and to the introduction of useful innovations.

The enterprises and associations transferred to the new working conditions have much more time than plants of other sectors for the development of a production program, coordination of plans for the output of products with material and technical resources and conclusion of contracts for delivery. The granting of rights to independently use funds for production development and social and cultural measures and to allocate more funds for capital construction contributes to the successful activity of the participants in the experiment.

A year of work of five industrial ministries under the new conditions of management has passed. What do results indicate? The first results point out that the sale of products with due regard for the fulfillment of contractual obligations has been carried out on a much higher level than before. These indicators among all the participants in the experiment are much higher than those attained by enterprises of other sectors. The Ukrainian SSR Ministry of the Food Industry, the Belorussian SSR Ministry of Light Industry and the Lithuanian SSR Ministry of Local Industry have fully settled their accounts with consumers. At the same time, it is important to note that the number of enterprises not fulfilling delivery plans has decreased significantly and that there are fewer disruptions owing to the lack of discipline of subcontractors.

The improvement in the production activity of enterprises of ministries transferred to the new conditions of management is due to the fact that such important indicators as the fulfillment of the plan in accordance with the strictly assigned products list, rise in labor productivity, reduction in production costs, profit and the quality of articles have been in the center of attention of labor collectives. Stable standards, on the basis of which incentive funds have been formed and funds for social and domestic needs and for the development of science and production have been deducted, have played an important role in the improvement in the work of the participants in the experiment.

The constant attention to the participants in the experiment on the part of Gossnab SSSR [USSR State Committee for Material and Technical Supply] and the full provision of production plans with resources, basically within the limits of the allocated funds, have made it possible to slightly improve the work of enterprises and, at the same time, to uncover the true causes of shortcomings consisting in a number of cases in a weak intraplant organization.

At the present stage, when the scale of production has increased immeasurably and specialization and cooperation are developing, final success largely depends on the responsibility, mutual requirements and discipline of subcontracting enterprises. It is well known that the underdelivery of products to the customer almost always causes a disruption in the rhythm of work at enterprises connected by a single technological chain with him.

The course of the experiment has shown that in labor collectives, where people really feel the results of their work and are interested in its final outcome, there is no shortage of valuable initiatives and proposals. Owing to the realization of innovations, a decrease in material consumption is attained and the personal savings accounts of workers and specialists grow rapidly. The practice of individual associations and enterprises, as well as of entire sectors fulfilling delivery plans in a full volume, attests to the positive shifts in the activity of ministries transferred to the new conditions of management.

Last year the organs of the Gossnab USSR paid much attention to an improvement in the formulation of orders and organization of work with enterprises participating in the experiment. In accordance with the methodological directives approved by the decree of the Gossnab USSR direct long economic relations were developed further and their stability increased. Simultaneously with the expansion of this form of supply both in terms of the volume and list of delivered products raw and other materials were allocated on credit to enterprises in cases when they were not promptly received on the basis of transit deliveries, including at the expense of above-standard and unutilized material values drawn into the economic turnover. Territorial organs concluded long-term economic contracts for the organization of material and technical supply with the overwhelming majority of consumers participating in the economic experiment.

These agreements envisaged an expansion of guaranteed overall supply for consumers, increase in the volumes and types of rendered services, including for the preparation of products for production consumption, centralized delivery of freight according to coordinated schedules and rental of technical facilities and instruments, and efficient measures for the sale of above-standard unutilized material resources.

On the basis of the production need there was an outstripping delivery of products within the limits of the allocated funds. For example, a number of Moscow plants participating in the large-scale experiment, owing to the shortage of rolled metal products and sawn timber and their underdelivery through transit, encountered serious difficulties during the first quarter of last year. The Moscow City Main Territorial Administration ensured them the delivery of the necessary material resources from its enterprises.

Realizing that the successful work of the participants in the experiment depends to a great extent on a prompt and efficient supply of resources, the organs of our system pay them a great deal of constant attention. The concerns and problems of ministries and enterprises transferred to the new conditions of management are in the center of attention of the board of the Gossnab USSR. All the proposals and suggestions received from the localities, which need a prompt solution, are attentively analyzed by the working group for the coordination of work on the performance of the economic experiment.

The course of conclusion of contracts among enterprises for the delivery of products was analyzed at one of its meetings. The working group uncovered big oversights in the organization of this work. The most characteristic shortcoming--an incomplete conclusion of contracts for delivery and an incomplete coverage of all the volumes of produced articles in accordance with the issued orders--was uncovered. Such cases occurred at the Novokakhovskiy Electrical Machine Building Plant imeni 50-Letiya Velikoy Oktyabr'skoy Sotsialisticheskoy Revolyutsii, at the Zapelektromash Production Association and some others.

In many cases the conclusion of contracts for the delivery of products in smaller volumes than envisaged by orders was due to the desire of some managers to overinsure themselves in case of a disruption in deliveries. Delays in the provision of funds by ministries and departments, which did not distribute products promptly, failure to meet the dates of presentation of technical documents and consumers' disavowals of their orders were the other factors.

The working group also drew the attention of ministries to other shortcomings. Many enterprises transferred to the new conditions of management do not yet fulfill the plans for deliveries of products in the required assortment and on the dates scheduled.

The Dzhizak Storage Battery Plant, the Aleksandriyskiy Transport Lifting Equipment Plant imeni 60-Letiya Velikoy Oktyabr'skoy Sotsialisticheskoy Revolyutsii, the Leningrad Istochnik Production Association and other enterprises of the Ministry of the Electrical Equipment Industry and the Ministry of Heavy and Transport Machine Building operated in an especially inefficient manner last year. Through their fault consumers failed to obtain a large number of electrical engines and dischargers. Serious shortcomings in production organization and the low level of technology are the main reasons for the breaches of contractual obligations.

In a number of cases interruptions in the delivery of resources occurred owing to the fact that prompt measures for the fulfillment of contractual obligations were not taken promptly. The complaints about refusals to accept orders for execution and about the failure to meet the dates scheduled addressed by the participants in the experiment to the Gossnab USSR attest to this. Last year such telegrams and letters were received from enterprises located in the region of activity of Gossnabs in the Ukraine and Azerbaijan and of Kuznetsk and North-Kazakhstan main territorial administrations more often than from others.

As the course of the economic experiment has shown, the coordination of plans for production and material and technical supply is of paramount importance. That is why ministries transferred to the new conditions of management have sharply raised the problem of presenting funds for material resources to enterprises at an earlier date and of eliminating the practice of issuing advanced schedule-orders.

In the process of preparation of a number of all-Union and republic ministries for the experiment in coordination with the Gosplan USSR /State Planning Committee/ and Gossnab USSR Methodological Directives on the Procedure and Periods of Elaboration of Five-Year and Annual Plans for Economic and Social Development in the Ministry of the Electrical Equipment Industry were approved more than a year ago. Basic stages in work were reflected and dates of plan preparation were advanced significantly in them.

However, nonobservance of a number of basic provisions of this document created considerable difficulties in the work of industry and supply organs. Owing to this dates of issuing schedule-orders for products and of concluding contracts were postponed. There were cases when the Ministry of the Electrical Equipment Industry lowered plans established for subordinate enterprises in a one-sided manner after the issue of orders. Planning organs, ministries and the Gossnab USSR tried to take these negative aspects into consideration during the preparation of methodological directives for ministries transferred to the new conditions of management in 1985.

In order to create the necessary conditions for successful work, as well as to ensure the consideration of proposals by enterprises during the preparation of the State Plan for the Country's Economic and Social Development for this year, the Gosplan USSR and Gosnab USSR adopted a special decree. It determined the new procedure and periods of plan preparation for ministries transferred to the new conditions of management this year.

Many problems, on the prompt solution of which the successful activity of enterprises transferred to the new conditions of management depends, arose in the course of realization of the large-scale experiment. Most often these were requests about improving material and technical supply for consumers receiving products in small batches, as well as about shortening the addresses for the shipment of finished articles.

Such proposals were often examined at the meetings of the working group and, as a rule, positive decisions were adopted on them. It is a matter of seeing to it that products shipped by manufacturers in nontransit quantities are assigned to enterprises for deliveries of territorial organs at the recipients' location. The Gosnab USSR adopted a special decree on this, which will play a positive role.

The large-scale experiment confronted in an especially sharp manner material supply organs with problems connected with the delivery of all types of resources in a full volume and on the dates scheduled to enterprises. However, the shortage of a number of supplies and raw materials has not made it possible to solve this problem, because the organs of our system do not have the necessary possibilities for maneuvering. Therefore, the Gosnab USSR often proposed a way to solve this problem to ministries participating in the experiment. It consisted in the concentration of the most important types of supplies, raw materials and articles at enterprises for deliveries of territorial organs through a reduction in consumer stocks. Considerable experience in such work has been accumulated in the country. For many years the Leningrad Main Territorial Administration by means of this advanced form has regularly provided the plants of the Ministry of the Machine Tool and Tool Building Industry with the necessary resources.

The Ministry of the Electrical Equipment Industry and the Ministry of Heavy and Transport Machine Building have not yet decided on such a step. Meanwhile, the experience of the people of Leningrad convinces us that such cooperation is useful to both sides.

The conditions of the large-scale experiment envisage moral and financial interest of enterprises in strengthening the policy of economy. Today the very concept of "thrift" and the problem of providing the national economy with resources are the links of one chain. Therefore, stepped-up assignments for saving fuel, electrical and thermal power, ferrous and nonferrous metal, cement and chemical and other products have been set in the plan for this year. The provision of the national economy with raw materials and supplies also depends on how successfully these assignments are fulfilled.

The results of work under the conditions of the economic experiment point to some improvement in the indicators of the saving of material resources. Last year the enterprises of the Ministry of Heavy and Transport Machine Building

succeeded in attaining a reduction in the specific expenditure of rolled ferrous metal products and, as a result, in saving almost 45,000 tons of basic structural materials. A total of 160,000 running meters of thin-walled seamless pipes and 1,600 tons of rolled brass products were saved at the plants of the Ministry of the Electrical Equipment Industry.

At the same time, a more profound examination of the situation created in these sectors indicates that many enterprises do not pay proper attention to saving problems. Last year they did not fulfill the assignments for an average reduction in the norms of expenditures of the most important types of resources. For example, the Ministry of the Electrical Equipment Industry, while the total underdelivery of products to it amounted to a volume of 96 million rubles during the first 6 months, did not raise the problem of correcting the plan for material and technical supply. This means that the sector's plants did not feel the shortage of resources.

Nor was work on the standardization of the expenditure of material resources carried out quite efficiently at plants participating in the experiment. The organs of the Gosnab USSR have established that at many enterprises of the Ministry of the Electrical Equipment Industry the norms of tool expenditure are calculated only for basic production and, as a rule, formally. Many cases of a substantial, almost double, overstatement of norms of expenditure have been uncovered and orders for materials are submitted without a scientific substantiation. Nor do the sector's plants fulfill assignments for the delivery of waste of tungsten-containing materials and, moreover, the ministry lowers these plans in an unsubstantiated manner.

Enterprises of a large group of ministries have been transferred to the new conditions of management this year. In many respects they will follow a well-trodden path and take into consideration the experience and mistakes of trailblazers. Nevertheless, the specific nature of work of a number of sectors, which are to accomplish responsible tasks, will introduce many new things into their activity. The enterprises of these ministries attentively studied the experience of plants participating in the experiment, especially the organization of work in collectives, which coped with the fulfillment of contractual obligations most successfully.

An analysis showed how they attained high indicators. Enterprises that prepared themselves well for the experiment worked with the maximum return. Their managers began with a reorganization of the system of formation of current production programs and not only on the scale of the enterprise as a whole, but also at the level of shops and sections. The role of sale services in the determination of the sequence of loading production with orders was enhanced. At the same time, assignments were formed with due regard for the possibilities of every link of the technological chain on the basis of the schedules set, which envisaged an overall provision of finishing stages with all the necessary articles. All this contributed to the fulfillment of orders on the date set.

At the same time, many problems, which did not enable enterprises to fully realize the possibilities inherent under the conditions of the large-scale experiment, were uncovered. In part this was due to the shortcomings in the work

of ministries on the management of subordinate associations and plants and to miscalculations by the manufacturers of products themselves, who were unable to organize production properly. However, the fact that important economic levers, with which big hopes were connected, were not utilized was no less important.

What is involved specifically? What corrections should ministries transferred to the conditions of this experiment introduce into their activity?

First of all, it is necessary to take into consideration that the set of measures for improving production approved by the participants in the large-scale experiment did not contain direct and effective steps, which would stimulate the interest of enterprises in an efficient utilization of material resources as envisaged. Forms of moral and material incentives for a reduction in production costs were not always applied satisfactorily. As a result, in many cases collectives did not feel to a sufficient degree the interconnections between the positive results in the saving of supplies and raw materials attained by them and the increase in material incentive funds.

The possibilities of the experiment were not utilized fully owing to the fact that at many enterprises supply services were unable to reorganize their work. As before, they continued to submit overstated orders for material resources and under the favorable conditions of last year obtained them in a volume greatly exceeding production needs. In the final analysis this could not fail to lead to a deterioration in financial and other important economic indicators of associations and enterprises.

An analysis showed that supplier enterprises transferred to the new conditions of management in case of a threat of a disruption in the fulfillment of an order were able to come to an arrangement with consumers about postponing deliveries to a later date. At the same time, the priority position of the supplier with respect to the consumer was utilized often. In a number of cases this was done with the permission or tacit consent of the territorial organs of our system.

The tendency toward postponing the dates of fulfillment of orders from the first to the second 6 months was observed clearly last year. At the same time, material and technical supply organs at manufacturers' request ensured outstripping deliveries of material resources to them at the expense of the allocations of the second 6 months. However, since the total volume of annual allocations assigned to ministries did not meet the needs of some enterprises for material resources, the danger of emergence of disproportions between production plans and their provision with raw materials and supplies in the second quarter was created.

The experiment uncovered many other problems, which enterprises of ministries transferred to the new conditions of management this year will have to solve. The limited possibilities of warehouse supply, which do not meet the requirements for the organization of work at the present stage, represent one of them. In order to create the necessary conditions for the fulfillment of contractual delivery obligations, there is a need for a high efficiency and overall nature

of supply for plants. Therefore, enterprises for deliveries of territorial organs should have a wide assortment of articles and materials. This stock should include the entire list of resources distributed by our system and consumed by the plants of a given economic region.

The warehouse capacities now at the disposal of the Gosnab USSR do not enable enterprises for deliveries to accumulate the entire assortment of necessary supplies and raw materials. Furthermore, the presently existing system weakly stimulates and interests supply workers in the creation of such stocks.

It would seem that, determining the basic directions in activity for the forthcoming period, we must not be carried away by the attained results. For the time being there is no reason to believe that an improvement in the provision of the participants in the large-scale experiment with material resources is the consequence of the fundamental change and improvement in the manner and method of work of supply organizations. Most often the accomplishment of the tasks entrusted to them was attained at the cost of considerable efforts on the part of workers at the organs of the Gosnab USSR at all levels. They had to promptly overcome a great deal of lack of coordination in plans for production and material and technical supply of the participants in the experiment and to correct the miscalculations of ministries and all-Union industrial associations and of the plants themselves. All existing possibilities, that is, outstripping deliveries, advances at the expense of resources of territorial organs and establishment of special control over the execution of the orders of enterprises transferred to the new conditions of management by suppliers, were utilized for this.

Finally, it should be kept in mind that last year the economic experiment involved a relatively narrow range of enterprises, to whose supply special attention was paid. With the expansion of the number of ministries, which operate under the new conditions, such possibilities were limited sharply. This means that it is necessary to implement a set of effective measures to improve the planning and organization of production, as well as to raise the level of supply to the proper height.

Such are the basic conclusions, which economic managers and all the participants of the economic experiment should draw. The results of work of trail-blazing ministries should be analyzed in the most careful manner in order to detect in detail which indicators, standards and economic levers "worked" properly and which did not give perceptible results.

The experience of the best collectives--participants in the large-scale experiment--will enrich our economy with the new practice of management and make it possible to attain great success in the development of public production.

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PLANNING AND PLAN IMPLEMENTATION

PERFORMANCE, CURRENT TASKS OF STATISTICAL SERVICES REVIEWED

Moscow VESTNIK STATISTIKI in Russian No 1, Jan 85 pp 6-14

[Article by M. Korolev: "A Higher Level of Economic Work"]

[Text] In realizing the measures which were worked out for a further improvement of state statistics and which follow from the decisions of the 26th CPSU Congress and the subsequent Plenums of the Party Central Committee, the organs of state statistics have performed a large amount of work to provide party, government, and economic agencies with the analytic information necessary to them in order to solve many problems of economic management during the course of the fulfillment of the state plans for the economic and social development of the country, union and autonomous republics, krays, oblasts, economic regions, and production sectors.

In the period after the congress of the USSR Central Statistical Administration there was an improvement of the statistical observation of the fulfillment of the State Plan for the Economic and Social Development of the USSR for 1981-1985 and of the annual plans, and also of the economic analysis of the corresponding information. This period is characterized by a broader and deeper working up of reporting data, the conducting of censuses, accounting and sample surveys in order to improve the analysis of a number of questions of economic and social development and the preparation of precautionary information. The economic work was concentrated on an analysis of the course of the fulfillment of plans and socialist commitments, the effectiveness of the use of the production potential, scientific and technological progress, the intensification of production, the balances of the economies of the development of the branches of the economy and of individual regions of the country, and the realization of social programs.

Especial attention was devoted to an analysis of the information on the utilization of material, labor, financial resources, and reserves, which existed in the economy, and on the formation and development of the country's agroindustrial complex, and the fulfillment of the special-purpose overall programs, especially the Food and Energy Programs.

During 1983 alone and during the nine months of 1984 the managerial agencies and departments of the USSR Central Statistical Administration prepared around 500 economic reports and messages directed to executive agencies. In the

statistical bulletins of the USSR Central Statistical Administration and in other materials there was constantly contained extensive economic information.

But the results of analytic work are determined, of course, not by the quantity of reports or memorandums, but by the actuality of the problems analyzed in them, the existence of the problems posed in them and of the concrete economically substantiated conclusions and proposals which can be used in order to manage the development of the country's economy. The fruitfulness and effectiveness of the economic work in managerial agencies and departments has increased in recent years, especially with regard to an analysis of the development of the economics of industry, agriculture, capital construction, the accomplishment of scientific and technical programs, the maintenance of the environment, and the rational use of natural resources and material and technical supply.

The purposefulness and effectiveness of economic work on social problems also increased. This concerns above all the development of state trade and domestic services for the population, health care and culture, and the use of labor resources. An analysis of the balance of the economy received a further development.

The increase in the effectiveness of economic work is confirmed by the fact that the analytic materials of the USSR Central Statistical Administration were used extensively by directive agencies in order to develop and implement the party's economic policy, and the daily solution of the problems of the management of the economy.

In accordance with commissions from the government a large amount of economic work is carried out every year by the USSR Central Statistical Administration in developing and discussing drafts of state plans for economic and social development. And in 1984, in accordance with a coordinated program with Gosplan USSR, the managerial units and departments of the USSR Central Statistical Administration prepared analytic material necessary for the development of drafts of the State Plan for the Economic and Social Development of the USSR for the Year 1985 and for the Basic Directions of the Economic and Social Development of the USSR for the Years 1986-1990 and for the Period Until the Year 2000. In September 1984 the USSR Council of Ministers was sent a Conclusion of the USSR Central Statistical Administration on a draft of A State Plan for the Economic and Social Development of the USSR Until the Year 1985; the data on the material and other reserves in the economy are of especial importance. The managerial units and departments of the USSR Central Statistical Administration prepared a number of important analytic materials which were used by the government and the commissions of the Presidium of the USSR Supreme Soviet during the course of an examination of draft plans for the union republics, ministries, and departments.

In the light of the decisions of the 26th CPSU Congress, the subsequent Plenums of the CPSU Central Committee, and the regulations and conclusions which follow from the speeches and statements of the General Secretary of the CPSU Central Committee and chairman of the Presidium of the USSR Supreme

Soviet Comrade K. U. Chernenko, the USSR Central Statistical Administration is faced with large and responsible tasks in the development and deepening of economic work. The question of the further development of work on an economic analysis that takes account of the demands of improving the management of the economy was the subject of a discussion by the party and economic aktiv of the USSR Central Statistical Administration.

On 23 October 1984 a regular plenum of the CPSU Central Committee was held which discussed the question of "On a Long-Term Program of Land Improvement and Increasing the Effectiveness of the Use of Improved Lands for the Purpose of Stably Increasing the Country's Food Fund." The decisions of the plenum of the CPSU Central Committee, and the theses and conclusions contained in the speech at the plenum by Comrade K. U. Chernenko put forward new tasks for the agencies of state statistics. It is a matter of honor for all of the workers of the system of the USSR Central Statistical Administration to take active part in their successful fulfillment, in the solution of the problem posed by the party of improving the management and economic mechanism in the country and in controlling the course of the accomplishment of the wide-scale economic experiment.

Speaking on 5 October 1984 at the All-Union Conference of Peoples' Controllers, the General Secretary of the CPSU Central Committee and chairman of the Presidium of the USSR Supreme Soviet Comrade K. U. Chernenko took note of the importance of this experiment and emphasized that during the course of it "in practice the elements of a new economic mechanism are being worked out which will make it possible to correctly distribute rights and responsibility among the central agencies of management and production enterprises. It is a matter," said Comrade K. U. Chernenko, "of seriously improving planning and the structure of management and of activating the powerful levers of the personal interest and responsibility of each worker in his work."

Beginning with 1 January 1985 this experiment will be applied, as is known, to the enterprises of a number of other ministries ensuring constant statistical observation of the course of the expanding experiment and an economic analysis of its results--this is one of the most important tasks of the Administration for Industrial Statistics and of a number of other subdivisions of the USSR Central Statistical Administration. In October 1984 the Board of the USSR Central Statistical Administration discussed the conducting of a number of important methodological and organizational measures in connection with the expansion of the above experiment and charged the leaders of the subdivisions of the USSR Central Statistical Administration to ensure systematic control over the course of its realization, an analysis of its materials, and participation in the preparation of the appropriate methodological and normative documents. The spreading of the experiment will require the conducting of serious work on the generalization and dissemination in the system of statistical agencies of the experience of working up the data and an economic analysis of the materials, since the corresponding administrations and departments have been charged with providing in their plans for work to render practical assistance to the Central Statistical Administrations of the

union republics, the statistical administrations of the ASSR, the krays, oblasts, and enterprises on this question.

An improvement of the economic work on the statistics of industry presupposes a strengthening of the analysis of the development of the material and technical base of the branch, the introduction of the achievements of scientific and technological progress, the renewal of fixed capital and an increase in its technical level and the mastery of the plan indicators of newly commissioned enterprises and facilities. Of current interest for research and analysis continue to be the development of machine building which determines the effectiveness and intensification of production in all of the branches of the economy; changes in the territorial location of industrial production, the raw materials base of ferrous metallurgy, and the chemical industry; and the development of individual branches of production and industry in territorial production complexes, especially in the areas of Siberia and the Far East.

In connection with the development of the Overall Program for the development of the production of consumer goods and of a system of services it is necessary to thoroughly improve the analysis of the development of the branches of group "B" of industry, the supplying of the enterprises of these branches with highly productive equipment, providing them with raw materials and materials, and expanding and improving the assortment and quality of goods.

In connection with the realization of the Energy Program there has to be a deeper analysis of the development of the branches of the fuel and energy complex.

There also has to be a deepening of the analysis of the indicators of the efficiency of industrial production and, above all, of labor productivity, of the cost of output and the factors which influence them, and the fulfillment of commitments on an above-plan increase in labor productivity by 1 percent and decrease in costs by 0.5 percent.

The tasks of a further improvement of economic work in the field of the statistics of agriculture in the light of the contemporary demands of management consist first of all in the organization of an all-round analysis of the development of the agroindustrial complex and of the course of the fulfillment of the USSR Food Program and of the accomplishment of the Long-Term Land Improvement Program on the basis of the decisions of the October (1984) Plenum of the CPSU Central Committee and the special decree of the CPSU Central Committee and USSR Council of Ministers.

It is necessary to increase the coordinating role of the Administration of Agricultural Statistics in the organization of an overall analysis of the balance and proportionality of the development of the branches which are members of the agroindustrial complex, of the performance of scientific and technical measures, and of the efficiency of production on the basis of its intensification; a strengthening of the work to study the losses and improve

the quality of agricultural output, and to strengthen the economies of agricultural enterprises. Especial attention has to be devoted to the development of information and of an economic analysis of the solution of the social problems of the village.

In analyzing the statistical data on the development of agriculture it is necessary to direct attention to the problems of increasing the efficiency of production in the branch on the basis of scientific and technological progress, an acceleration of the shift of cropping and animal husbandry to industrial technologies, an increase in the employment of agricultural workers during the course of the year, and an increase in their labor productivity. A large amount of attention is demanded by an analysis of the development of the production of output on the personal subsidiary farms of the population and the subsidiary farms of enterprises and organizations.

An important direction in improving economic work is a detailed study of the new forms of management in agricultural production which have been created as an experiment in a number of regions of the country--The State Committee for Agricultural Production of the Georgian SSR, The Agroindustrial Association of the Estonian SSR, and the agroindustrial combine "Kuban" in Krasnodarskiy Kray.

It is necessary to thoroughly develop and improve the overall analysis of information on the statistics of capital construction which predetermines the development of all of the branches of the economy. Guiding itself by the decisions of the 26th CPSU Congress and by the 29 April 1984 Decree of the CPSU Central Committee and the USSR Council of Ministers, "On Improving the Planning, Organization, and Management of Capital Construction," the Administration for Capital Construction Statistics should concentrate its attention, above all, on an analysis of the efficiency of capital investments on the level of the economy, its branches and also its ministries and departments, as well as on the branch and territorial structure of these investments, on an analysis of the introduction into construction work of the achievements of scientific and technological progress, of an improvement in the siting of the productive forces on the territory of the country, of construction in the areas of Siberia and the Far East, and of the creation of a production base in the zone of the Baykal-Amur Main Line.

Of especially great importance is an analysis of a rise in the level of the concentration and specialization of construction work, the efficiency of the use of fixed capital in construction, the materials intensiveness of construction and installation work and compliance with the ceiling on material expenditures, the disclosure of existing reserves for increasing the efficiency of the work of planning and research organizations, and the reasons for labor turnover in construction.

There has to be a deepening of the analysis of the course and results of the economic experiment on utilizing the resources of the production development fund for technical reequipping, and a study of the problems of ensuring the balance of construction workers' production programs. There has to be an

improvement of the analysis of information on the construction of facilities and capacities for the solution of the Food Program, on the assignment of capital investments for land improvement, on the development of the fuel and energy complex, the base branches of the industry, the territorial production complexes, on the reserves for increasing labor productivity, and for decreasing losses of material resources.

One of the important tasks facing the Administration of Capital Construction Statistics is an analysis of the realization of the assignments of increasing production capacities and capital investments in connection with an increase in the people's well-being. In addition to the receipt of reporting data for an analysis of the efficiency of housing construction it is necessary to provide for conducting analyses of the construction of housing and social and cultural facilities, of the effectiveness of low-line construction, and of the employment of new types of plans. A substantial place in the economic work has to be assigned to a study of the quality of housing and cultural and domestic construction in the light of the Decree of the CPSU Central Committee, "On the Letter of the Team Leader of Construction Workers to the Newspaper PRAVDA," which was published on 8 September 1984 under the title "A Word About the Honor of the Construction Worker."

In view of the basic tasks which follow from the 28 October 1982 Decree of the CPSU Central Committee and USSR Council of Ministers, "On Improving the Planning and Organization of the Shipment of National Economic Cargoes and of Passengers and on Strengthening the Influence of the Economic Mechanism on Increasing the Efficiency of the Work of Transportation Enterprises and Organizations," the Department of Transportation and Communications Statistics has to coordinate an analysis of the fulfillment of planning assignments on the development of individual branches of transportation with the amounts of production of transportable freight, the rational distribution of haulage among types of transportation, and the development of shipments in mixed communications. There has to be a deepening of the economic analysis of the introduction of the achievements of scientific and technological progress in transportation, and of the operational work of the enterprises and organizations of this branch aimed at increasing labor productivity and the quality of the transportation services for the branches of the economy and for the population.

The Administration for Statistics of Material and Technical Supply and Censuses is faced by big tasks: an increase in the effectiveness of the analysis of the rational use of raw materials, materials, and fuel and energy in the branches of the economy; the fulfillment of the norms and assignments for an average decrease in the raw materials and materials expenditure norms; an improvement of the analysis of the involvement in economic turnover of secondary raw materials and fuel and energy resources, and of the accomplishment of work to economize materials, raw materials, and fuel.

Proceeding from the demands of the 18 August 1983 Decree of the CPSU Central Committee and USSR Council of Ministers, "On Measures to Accelerate Scientific and Technological Progress in the Economy," the Department of the Statistics

of Technological Progress has to seriously improve its observation of the processes of scientific and technological progress in the branches of the economy, analyze the effectiveness of the measures which are carried out and their influence on labor productivity and on the quality and renewal of output, and also strengthen practical connections with the corresponding subdivisions of GKNT [State Committee for Science and Technology], of Gosplan USSR, with the ministries, and with a number of scientific research institutes. The department has to increase its observations of the course of the experiment to improve the payment of the labor of the workers of the design and technological organizations which are members of a number of production associations of Leningrad, Minsk, Volgograd, Kharkov, Kirovograd, and other cities, an experiment which is being carried out in accordance with the regulations of the USSR Council of Ministers of 11 July 1983 and 1 October 1984.

The tasks of the Department of the Statistics of Finances and Prices in developing an overall analysis consists in revealing the basic financial indicators (profits, profitability, and the circulation of circulating capital) which determine the final results of the work of ministries and departments. An essential place in the analysis has to be assigned to an evaluation of the influence on the amount of profits obtained, on compliance with deliveries agreements, planned cost assignments, mark-ups to wholesale prices and discounts from them, and non-productive expenditures and losses. It is necessary to concentrate attention on an analysis of the influence of the non-fulfillment of profits plans on the formation of the economic stimulation funds, especially in associations and enterprises of ministries which are conducting the economic experiment, on the formation and use of the economic stimulation fund and the single fund for the development of science and technology.

The study of the action of the new wholesale prices has to be continued, chiefly their influence on the profits and profitability indicators in individual branches of industry; the reasons for the losses connected with individual types of output, in particular cultural and domestic and household goods have to be disclosed. A further study of the structure and dynamics of wholesale prices is of especial importance.

Great attention has to be devoted to improving the analysis of the indicators of popular well-being, the development of the socialist way of life, the realization of a number of special-purpose social and economic programs, and also of a scientific analysis of the problems of population and of the influence of the system of state measures on the processes in this field.

In the analysis of the demographic processes a large role will be played by a social and demographic survey conducted as of the conditions existing on 1 January 1985. A full-scale characterization of the social and demographic living conditions of families in combination with demographic indicators will make it possible to reveal the interaction of social and demographic factors more extensively.

Among the most important tasks in the statistics of labor note should be taken above all of a further improvement of the analysis of the use of labor resources, the inter-branch and inter-regional redistribution of labor power, and the accomplishment of a number of economic undertakings based on the data of special surveys on the state of labor discipline and the use of working time, the employment of diplomaed specialists in the economy, and the fulfillment of measures to stimulate the economizing of material resources. A system of indicators will have to be prepared and introduced into statistical practice for the purpose of analyzing irrational expenditures of labor time and unwarranted diversions of workers from their basic work.

In analyzing the course of the fulfillment of planning assignments to provide the population with goods and domestic services especial attention has to be paid to the problems of the balanced development of the production of consumer goods, retail commodity turnover, paid services, and the monetary income of the population, and the correspondence of the assortment of these goods, types of services and their quality to the needs of consumers. It is necessary to make a deeper study of the connections between trade organizations and industrial enterprises, of the correspondence between the orders of trade for goods and the needs of the population, also the extent to which commodity resources are distributed among the regions of the country in a rational way.

There has to be a further improvement of the analysis of the organization of trade and of the quality of trade services for the population; the same applies to a study of the reasons for losses of output in trade, during transportation, processing, and consumption.

In the field of the statistics of communal housing and domestic services for the population the top-priority task consists in an analysis of the course of the broadening experiment at domestic services enterprises in achieving high final results of economic activity and in a fuller satisfaction of the needs of the population for services. At the same time in order to obtain a deeper analysis of domestic services for the population it is necessary to improve statistical reporting and sample survey programs.

In improving its economic work, the Department of Cultural Statistics has to concentrate its attention on the problems connected with the accomplishment of the Basic Directions of the reform of the general educational and vocational schools. In the analytic reports it is essential to systematically treat the problems of the universal secondary education of the youth, the reorganization of the structure of school education, and the work of the base enterprises of the general educational schools in providing for the labor and vocational training of the pupils.

On the basis of the existing many-sided information, and also of the materials of the surveys of the Department of Social Statistics, it is necessary to make a deeper, including the full aggregate of factors, analysis of the improvement of the socialist way of life--its socio-economic foundation, the labor activities of people and their participation in management, the culture of the

population and of everyday life and of the family, and the growing closer together of the way of life in the city and in the village.

A number of new tasks in overall analysis follow for the Administration of the Statistics of Foreign Countries and Foreign Economic Relations from the decisions of the Economic Summit Conference of the CEMA Countries which took place in Moscow in June 1984. In the measures to realize these decisions which were approved by the Board of the USSR Central Statistical Administration it is planned to prepare reports on the development of socialist economic integration, and international comparisons of the most important cost indicators of the economic development of the CEMA countries.

In the general complex of economic work there has to be a substantial increase in the role of the Administration for the Balance of the Economy. On the basis of extensive statistical information there can and needs to be a deeper and broader analysis of the process of socialist social reproduction, its dimensions and its rates; the condition, tendencies, and relations in the economic development of republics and regions; branch, territorial, and national economic proportions; a rise in the standard of living in the population.

A further development of overall economic analysis is to a large extent predetermined by the work of the Scientific Research Institute of the USSR Central Statistical Administration which has to develop a system of statistical indicators on the basis of the contemporary requirements of management. The development of the methodological bases of economic analysis for the most important problems has to be accelerated: an improvement of the economic mechanism under the conditions of the economic experiment, the development of individual regions of the country and of territorial production complexes, the intensification of social production, the management of the process of the reproduction of fixed capital and the efficiency of its use in the economy and its basic branches, and others.

The Institute has to approve the methodology of the economic analysis of the development of the basic branches of the economy and of their intra-branch and inter-branch relations; the tendencies of the demographic and social processes; labor productivity; and the use of labor, material, and financial resources in the economy and in its basic branches.

As early as the near future the entire central apparatus will have to begin to work on the methodological and analytical problems which are connected with the forthcoming summary of the results of the fulfillment of the State Plan for the Economic and Social Development of the USSR for the Years 1981-1985.

One of the most responsible tasks which the administrations and departments of the USSR Central Statistical Administration have, in essence, already begun to accomplish is the working out of the materials which are necessary in connection with the preparations for the forthcoming 27th CPSU Congress.

Work has to be continued to provide Gosplan USSR and other interested agencies with the analytic information necessary for the development of drafts of the State Plan for the Economic and Social Development of the USSR for the Years 1986-1990 and for the Period Until the Year 2000, and also for the working out of overall social and economic programs for the development of the economy.

The USSR Central Statistical Administration is faced with the tasks of improving the publication of its statistical yearbooks and collections; expanding the publication of statistical materials which characterize the advantages of the socialist system of economic management; preparing and publishing materials devoted to the 40th anniversary of the Victory of the Soviet people in the Great Patriotic War, and others.

The accomplishment of the task of raising the level of economic work demands a decisive elimination of the shortcomings in it and the mobilization of existing reserves.

It is necessary to raise the level of the overall nature of the analysis of a number of highly important national economic problems which will make it possible to most fully reveal the interconnections and dependencies in the development of various socio-economic phenomena, obtain objective quantitative evaluations which include the influence of various factors on the phenomena being studied, and to use these evaluations in solving the practical problems of the management of social production.

The administrations and departments commit definite cliches in their analyses which inhibit and limit the initiative of their workers, lead to formal results in their work; they also repeat schemes and the exposition of materials in reports and memoranda, especially with regard to the results of annual work.

In the current reports and analytic materials of a precautionary character there should be a wider revelation of the reasons for the non-fulfillment of planning assignments which are interconnected with the basic phenomenon factors.

In solving the problem of the introduction of the methods of overall analysis a leading place has to be occupied by the summary subdivisions—the administrations for the balance of the economy, statistics of labor and wages, material and technical supply and censuses, and agriculture, and the departments of the statistics of technological progress, finances and prices, social statistics, and others.

The Scientific Research Institutes of the USSR Central Statistical Administration should accelerate the development of methods of the overall analysis of statistical administration both on a national economic and on a branch level. Given the wide use of computers these methods should contain recommendations on the use of the methods of mathematical statistics for the purpose of disclosing and analyzing the interconnections and dependencies of the indicators of various phenomena.

There are great possibilities for deepening the economic analysis of statistical information and, especially, for increasing its operativeness in the system of operative informational and reference services (SOISO) which is now being developed and the functioning automated data banks (ABD) "Mir," "Statistics of the Foreign Economic Relations," and the registers of industrial enterprises and construction projects.

The ABD is supposed to ensure a further aggregation of statistical information, the immediate access of consumers with the help of terminals to the materials which interest them, the rapid selection and use of these materials at various territorial and administrative levels of the economy with sufficiently long series of the dynamics of indicators, the issuance in necessary cases of tabular data by means of printing devices, and so forth. With the ABD operating in a dialogue regimen in the process of economic analysis the possibility is ensured of the rapid receipt of data through diverse variants, with the use of grouping methods, various average magnitudes, indices, balance methods, and others.

In the future functioning ABD will ensure the immediate access of executive, planning, and managerial agencies to statistical information and will radically change the present systems and programs by which it is presented.

However, in the development of the ABD and, in particular, of the above-mentioned information base there exist quite a few unsolved problems. This applies, above all, to further work on improving the system of indicators of the information base. There is still no final solution of the problem of the intercoordination of a number of groups. The Main Computer Center and the USSR Central Statistical Administration have to accelerate their work on ensuring the stable functioning of all of the technical and programmatic means of SOISO, and, jointly with the administrations and departments of the USSR Central Statistical Administration take effective measures to accelerate its activization and the training of specialists in the active use of the information of the system toward analytic goals.

In order to increase the effectiveness of economic analysis Soyuznashinform, the USSR Central Statistical Administration, VGPTI [All-Union State Production-Technical Institute], and the Scientific Research Institute of the USSR Central Statistical Administration, jointly with the administrations and departments of the USSR Central Statistical Administration, have to improve the operating analytic complexes for the electronic processing of information.

One of the most important conditions for correct conclusions and proposals based on the results of the economic analysis of statistical information is the reliability of reporting. For this reason, the administrations and departments of the USSR Central Statistical Administration have to thoroughly improve the organization of verifications of the reliability of reporting data at enterprises and in organizations, increase the effectiveness of organizational work with ministries and departments on improving the state of accounting and reporting, disclose cases of false write-ups in reporting, and achieve a high level of results in the verifications.

At the All-Union Conference of Peoples' Controllers which took place on 5 October 1984 Comrade K. U. Chernenko emphasized that the "peoples' controller is always everywhere and under any circumstances a fighter and let him be an inflexible fighter!" Again he said with every justification that the workers of the agencies of state statistics also belong to our army of many millions of peoples' controllers who make whatever contribution they are capable of to the accomplishment of the plans of socialist construction. In the struggle for the reliability of reporting data they have to be inflexible fighters.

A rise in the level of economic work in accordance with the contemporary requirements of management is only possible on condition that there is a further universal improvement of the work with cadres in labor collectives, exactingness and personal responsibility for one's work, the development of initiative in the accomplishment of practical matters, an improvement of performance discipline, and control over the timely fulfillment of the party's and government's commissions.

In work with cadres it is necessary to always be guided by the theses and conclusions set forth in the memorandum of Comrade K. U. Chernenko in the Politburo of the CPSU Central Committee on the important issues for cadre policy—one of the most important instruments of active influence on all of the processes taking place in society is to ensure the accomplishment of the tasks of improving developed socialism. It is necessary to constantly improve the selection, placement, and education of cadres on the basis of a strict compliance with Leninist principles, and to see to it that all of the sectors of economic and cultural construction are led by politically mature leaders who have a good knowledge of their work, possess high moral qualities, enjoy authority, and are capable of successfully implementing the policy of the CPSU.

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INVESTMENT, PRICES, BUDGET AND FINANCE

FINANCE MINISTRY OFFICIAL DISCUSSES FISCAL CONTROLS

Moscow EKONOMICHESKAYA GAZETA in Russian No 13, Mar 85 p 7

[Article by V.V. Dementsev, USSR first deputy minister of finance: "Financial Motivating Factors of Intensive Development"]

[Text] Socialist society's finances are an important instrument of planned organization of public production and acceleration of scientific and technical progress. Under conditions of having the economy take the path of intensification, the importance of finances grows significantly. The volume of resources allocated for the development of science and technology, reequipment of sectors and modernization of production is growing.

Acceleration of scientific and technical progress requires rapid renewal of existing fixed production capital. But the scale of renewal has been inadequate so far. Norms of amortization deductions for renovation in industry on the average amount to 5 percent of the cost of fixed production capital, including 7.7 percent for machinery and equipment. According to our calculations, with the given amortization norms, the coefficient of retirement of fixed production capital in industry should reach on the average 3.4-4.0 percent and for machinery and equipment--the active part of fixed capital--6.0-6.5 percent.

Thus existing amortization deducations for renovation ensure adequate financial resources for replacement of fixed capital in amounts corresponding to the requirements of scientific and technical progress. Actually the coefficient of retirement for the three years of the current five-year plan amounted to only 1.3, including 2.2 percent for machinery and equipment. In sectors of the national economy and at associations and enterprises, it is necessary to activate work on renewal of fixed capital. It clearly would be advisable to examine the question of establishing amortization norms solely for renovation and of assignment of expenditures for all types of repair work directly to the cost of production.

In the national economy, the tendency still persists in which the basic portion of equipment is allocated for provision of new construction and is used only to an insignificant degree for replacement of obsolete equipment. The continuing low rate of replacement of obsolete fixed capital is responsible for the large and frequently little effective outlays on capital

repair work. For industry as a whole, repair expenditures this year will amount to about 40 billion rubles (20 billion for capital repair and about 20 billion for current maintenance). The shift of the economy to the rails of intensification requires transfer of a significant portion of these funds for production of new machinery.

The systematic work now being done on improving the economic mechanism and the entire system of management introduces changes in financing the credit factors of intensification of production. In the course of the experiment conducted at 26 industrial ministries, new forms and methods of management of finances in particular are verified. Changes introduced into the procedure of profit distribution are aimed at the solution of the following basic tasks.

First, to economically interest enterprises in growth of monetary accumulations on the basis of augmentation of volume of production and raising of its efficiency. Second, to increase economic influence on the dynamics of production capital. Third, to increase responsibility of enterprises for fulfillment of commitments to the budget.

Such an approach has been fully justified. All the five ministries which participated in the experiment in 1984 overfulfilled their commitments to the budget.

Financial instruments have also played a noticeable role in increasing the material interest of enterprises in boosting efficiency of production and strengthening delivery discipline.

Thus enterprises of the Ukrainian Ministry of Food Industry, the Belorussian Ministry of Light Industry and the Lithuanian SSR Ministry of Local Industry in 1984 achieved fulfillment of delivery commitments by all enterprises. The fulfillment of commitments for deliveries of products by machine-building ministries participating in the experiment improved significantly.

An improvement was attained in efficiency of production at the associations and enterprises of all the ministries participating in the experiment with the exception of the Ukrainian Ministry of Food Industry, which was brought on by the negative influence of the results of the agricultural year on the work of individual subsectors of the food industry.

The qualitative indicators of the work of these four ministries is characterized by data contained in the table (see following page).

As can be seen from the table's data, rates of growth of labor productivity and of profit increased in all the four ministries. In three ministries, reduction of production cost was accelerated. The leading enterprises of these ministries began to more fully utilize intensive-growth factors.

For example, Moscow's Elektrosvet Plant of the Ministry of Electrical Equipment Industry completely fulfilled its commitments for product deliveries. Overfulfillment of the profit plan was achieved here through economy relating to production cost. Yuzhdizel'mash and Zhdanovtyazhmash

Table

Ministries operating under the conditions of the experiment	Growth of labor productivity		Reduction of production cost		Growth of profit	
	1983 in % of 1982	1984 in % of 1983	1983 in % of 1982	1984 in % of 1983	1983 in % of 1982	1984 in % of 1983
Ministry of Heavy & Trans- port Machine Building	5.5	5.8	-1.0	-2.0	12.2	19.4
Ministry of Electrical Equipment Industry	6.5	7.4	-1.5	-1.5	13.9	18.9
Belorussian SSR Ministry of Light Industry	2.5	5.8	-0.3	-0.5	4.0	8.1
Lithuanian SSR Ministry of Local Industry	3.7	4.6	-0.9	-1.0	11.4	10.8

production associations of the Ministry of Heavy and Transport Machine Building completely fulfilled in 1984 commitments for product deliveries and achieved high indicators for production volume, productivity and profit.

Economic practice shows at the same time that associations, enterprises and ministries still do not fully utilize the opportunities inherent in the experiment. The style and methods of work of the central apparatus of ministries and all-union production associations are slow in being reorganized. The negative practice of frequent plan corrections continues. Thus the norm of deductions from profit into the budget at Tikhoretskput'mash Production Association of the Ministry of Heavy and Transport Machine Building was corrected 6 times with simultaneous changing of the profit plan.

Originally the assigned norm of deductions from profit was changed 2-4 times for Kalinin Railroad Car Construction Plant, Novocherkassk Machine Building Plant imeni Nikolskiy, Penzdizel'mash Production Association, the Akkumulyator Plant of the Soyuzelektroistochnik All-Union Production Association of the Ministry of Electrical Equipment and other associations and enterprises.

Materials of checks show that the broad rights granted to enterprises in the field of material incentives of workers were used in some cases without the

necessary economic effect and raising of labor productivity. Thus at Serpukhov Electrical Machine Plant of the Ministry of Electrical Equipment Industry the plan for net production volume for 9 months of 1984 was fulfilled 96.3 percent and labor productivity volume--99.9 percent. Overexpenditure of the wage fund amounted to 5,600 rubles. At the same time the instituted additions to salaries of engineering and technical personnel and employes were not rescinded and were not reduced.

In the course of the experiment, the finance and credit system was faced with a number of new questions. It is necessary, for example, to speed up the solution of the entire complex of questions connected with the use not of annual but of five-year norms of payments into the budget, of sources of establishment of financial reserves of enterprises and use of economic incentive funds and limits of granting payment credits.

In the course of the economic experiment, the necessity was quite clearly disclosed of increasing economic influence on improving the use of working capital. In recent years, reserves of commodity stocks have been increasing at a rate surpassing production volume while designated targets for speeding up the turnover rate of working capital for most industries are not being fulfilled.

Thus in 1983, with a 4.2-percent growth of production volume, actual remainders of commodity stocks grew 7.4 percent. In 1984, many enterprises also permitted their growth. For example, at Kolomna Plant and Elektrostal'tyazhmas Production Association of the Ministry of Heavy and Transport Machine Building norm-set working capital in the amount of 12.3 million rubles and 10.2 million rubles was taken out of circulation for 1983 and 1984, respectively. The turnover rate of working capital for Moscow Plant of Vacuum Electric Furnaces, the Dinamo Electric Machinery Plant, the Metallist Experimental Plant and the Demikhovskiy Machinery Plant of the Ministry of Heavy and Transport Machine Building has slowed down.

Many associations and enterprises permit loss of their own working capital and do not adopt the necessary measures for its restoration from internal sources. Unfortunately, in the course of the economic experiment these negative tendencies have as yet not been completely overcome.

In our opinion, a shortage of own working capital should be covered by enterprises primarily from their financial reserves and other intraorganizational sources. The growth rate of average annual reserves of commodity stocks outstripping the growth rate of production should be punished by a corresponding reduction of the basic material-incentive fund. It is necessary to increase the accountability of ministries for preservation of working capital. In accordance with the decision of the May (1982) Plenum of the CPSU Central Committee, low-profit sovkhozes and kolkhozes had their indebtedness written off through the means of the union budget for banks loans in the amount of 9.7 billion rubles, and reimbursement of loans in the amount of 11.1 billion rubles was postponed with payment over a 10-year period beginning in 1990. Sixteen billion rubles for the year were allocated for raising purchase prices.

Hiking of purchase prices for agricultural products with stability of retail prices for foodstuffs caused a sharp rise in subsidies from the budget for compensation of the difference between retail and purchase prices. In 1984, a total of 54.7 billion rubles as opposed to 29.9 billion in 1982 was allocated from the budget for these purposes.

The finance and credit mechanism, however, still weakly influences improvement of operation of kolkhozes and sovkhozes and elimination of nonproductive losses and expenditures. In 1983-1984, a number of kolkhozes and sovkhozes finished their agricultural work with losses. Indebtedness of kolkhozes and sovkhozes is growing for loans of Gosbank USSR. Intraorganizational [\*\*]settlement [raschet] has as yet not become widespread everywhere. For example, it has been introduced on only one-third of the farms on sovkhozes and kolkhozes of the RSFSR.

Special importance is to be attached at the present time to the proper distribution of money additionally received by kolkhozes and sovkhozes from funds for expansion of production and remuneration of labor.

Under conditions of profound qualitative changes in the development of the economy and growth of the scale and complexes of problems being resolved, the importance of a consistent improvement of the system of management is significantly increased. At the present time, a complex of measures is being implemented for improving the administrative apparatus and reducing the costs of its maintenance.

In recent years, significant work has been done on further strengthening the role of local soviets and their budgets in raising the efficiency of production and improving the quality of work of sectors of the economy.

Finances and credit are a powerful instrument of operation of the national economy. Boosting effectiveness of their use in economic practice constitutes an important reserve in the solution of economic and social problems facing our country.

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RESOURCE UTILIZATION AND SUPPLY

GOSSNAB OFFICIAL URGES BETTER CONTROL OF MATERIAL RESOURCES

Moscow MATERIAL'NO-TEKHNICHESKOYA SNABZHENIYE in Russian No 1, Jan 85 pp 31-36

[Article by V. Il'inskiy, chief of the Administration of State Control of the USSR Gossnab: "Verifying, Preventing and Rectifying Shortcomings"]

[Text] Questions of economizing on material resources in the national economy occupy an important place in the activity of USSR Gossnab agencies. This work was given a new impulse by the decree of the CPSU Central Committee and the USSR Council of Ministers, "On Stepping Up Work for Economizing and Efficiently Utilizing Raw Material, Fuel-Energy and Other Material Resources," which made our system in particular responsible for providing for strict state control over the observance of conditions for economy and thriftiness in industry, construction, agriculture and transportation.

More than 3 years have passed since the adoption of this fundamental document. This is a long enough time to embody the instructions contained in it in concrete deeds to a significant degree. And today, when evaluating what has been done, we have every reason to say that the work for monitoring the utilization of materials, fuel-energy and other resources has been comprehensively developed both in form and in essence.

New times raise new requirements. We can no longer limit ourselves to reporting cases of mismanagement and extravagance. We need concrete and detailed analysis of the causes of these and the development and implementation of practical measures directed toward preventing violations of state discipline in the future. And this means that control over the utilization of material and technical resources must be combined with work to reduce the consumption of materials in the national economy. "In our day," emphasized Comrade K. U. Chernenko in his speech at the meeting of the CPSU Politburo, "it is savings that is becoming the most important source of providing for increased production."

Indeed, when we speak of modern efficient organization of production we have in mind primarily increased output of economical kinds of materials, the reduction of reduced-waste and waste-free technological processes, reduction of energy consumption and the material-intensiveness of items, reduction of losses of raw materials in all stages of their processing, storage and transportation, the use of substitutes for materials that are in short supply,

and more complete utilization of secondary resources, wastes and byproducts. All this requires increasing the organizational role of subdivisions of our system in the work for economizing on material resources and further improving the monitoring of their efficient utilization. In conjunction with the ministries, departments, associations and enterprises, we are obligated to provide for bringing additional resources into national economic circulation.

Today one can note that the majority of unionwide main supply and sales agencies, the gosnabs of the union republics, and the main territorial administrations in their practical activity have begun to devote considerably more attention to questions of observing conditions for economizing, fighting against losses, extravagance and mismanagement than they did at the beginning of the current five-year plan. Stronger action is being taken against violators of state discipline. A large amount of experience in this work has been accumulated by Soyuzglavogneuporsnabsbyt, Soyuzglavles, the gosnabs of the Ukrainian SSR, the Belorussian SSR, the Georgian SSR, and the Latvian SSR, and the Western Siberian, Moscow City, Tatar and other main territorial administrations.

A comparison of the data shows that since the beginning of the five-year plan there has been a considerable increase in the number of inspections. At meetings of interdepartmental commissions for economizing and efficiently utilizing material resources, boards of the gosnabs of the union republics and the main territorial administrations, and also the ministries and departments they regularly discuss cases of violation of state discipline and make the necessary decisions directed toward putting a stop to cases of inefficient expenditure of material resources and increased effectiveness of their utilization. Our ties with people's control agencies and procurators' offices have been strengthened.

So as not to get bogged down in facts I shall give only a couple of them. Until relatively recently the territorial agencies made suggestions fairly rarely concerning personal responsibility for mismanagement on the part of management workers. Sanctions in the form of signs (and then not complete ones), as a rule, were imposed on the enterprises as a whole, and frequently such measures did not achieve the necessary goal. And this is understandable. For violations do not happen of their own accord. Behind each case of extravagance there is a specific individual who is responsible for a particular section of the work.

Recently stronger measures have been taken against violators. In just one year the number of officials punished administratively at the suggestion of our agencies for mismanagement tripled. Also because of this the number of officials relieved of duty increased 1.5-fold. The number of monetary fines is increasing in the same proportions.

Similar changes have taken place with respect to other forms of work. If one compares the volumes of reduction of the deliveries of material and technical resources because of violations of funding discipline, it turns out that they are regularly increasing. At the same time the number and the seriousness of these violations in terms of certain kinds of products are decreasing. A similar tendency has been noted in the demands for and payment of fines.

It should be emphasized that when considering the generalized results of the inspections of individual branches of industry the interdepartmental commission has placed the most rigid requirements on those who have expended material values inefficiently. At the suggestion of the commission several ministers and enterprise managers have been relieved of their positions. The volumes of funds allotted for material resources to the branches have been reduced.

Strengthening state control over the development and introduction by industrial enterprises of organizational and technical measures for eliminating shortcomings that are revealed and carrying out assignments for economizing contribute to increasing the effectiveness of the utilization of material and fuel-energy resources and to the disclosure of additional reserves for reducing their consumption. Active work is being done in this area by the gosnabs of the Ukrainian SSR, the Kazakh SSR, the Georgian SSR, the Latvian SSR, and the Tatar, Upper Volga and other main territorial administrations. As a result, in the regions of their activity they have saved a good deal of rolled ferrous metals, cement, fuel and thermal and electric energy.

Unfortunately, we also have cases of a different kind. The gosnabs of the Uzbek SSR and the Kirghiz SSR, and the Khabarovsk, Central Chernozem and other main territorial administrations, for example, have not imposed the proper control over the development of organizational and technical measures.

A positive influence on the quality of the inspections and their results is exerted by the improvement of the interactions among subdivisions of state control of the USSR Gossnab and other agencies of the USSR People's Control Committee, Glavgosenergonadzor of the USSR Ministry of Power and Electrification, Glavgosnadzor of the USSR Ministry of the Gas Industry and others. We have further expanded our contacts with branch scientific research and planning institutes such as Orgpriminstrument of the Ministry of the Machine Tool and Tool Building Industry, Gisogneupor of the USSR Ministry of Ferrous Metallurgy, Soyuzlakokraska of the Ministry of the Chemical Industry and the Scientific Research Institute of the Tire Industry of the Ministry of the Petrochemical Industry.

It goes without saying that we are trying in all ways to enlist for work in the inspections specialists of the most varied profiles who have universal knowledge in their area. This contributes to improving the quality of the inspections and makes it possible to penetrate more deeply into the technology of the production processes and, in conjunction with the enterprises on the basis of a comprehensive analysis, to develop measures which are directed toward improving the utilization of the corresponding materials and items. In this respect one can learn from the work experience of the Eastern Siberian Main Territorial Administration, Orgpriminstrument, Soyuzglavogneuporsnabsbyt and the Gisogneupor Institute.

Systematic inspections in the branches of industry which are conducted with the participation of specialists of the Orgpriminstrument Institute have made it possible to reveal significant reserves for economizing on cutting

instruments and to annually bring them into national economic circulation in an amount of 10-12 million rubles. The inspections in which specialists of the Gisogneupor Institute are involved contribute to reducing the supplies allotted to the enterprises for refractory products to 100,000 tons a year.

Under the current five-year plan we have devoted special attention to making sure that the ministries promptly inform the enterprises of the assignments for the average reduction of the norms for expenditure and economizing on the main kinds of material resources and making sure that these assignments are fulfilled. The results of the systematic inspections are discussed in the presence of responsible workers of the ministries and managers of production associations and enterprises. This increases the effectiveness of control and makes it possible to coordinate it more closely with organizational work for efficient adoption of the appropriate measures.

This is precisely why, as compared to 1981, in the past 2 years the established assignments have been fulfilled more successfully for economizing on rolled ferrous metals in machine building, and fuel and electric energy in the national economy as a whole.

Additionally, the inspections and the analysis of the activity of the enterprises and organizations for utilizing material and fuel-energy resources show the existence of considerable reserves for economizing on them. At many enterprises and construction sites there are still cases of extravagance and mismanagement and unsatisfactory storage of material and technical values, funding discipline is violated, and there is an overexpenditure of fuel, thermal and electric energy, and metal.

In certain branches we have noticed arrears in the fulfillment of five-year assignments for the average reduction of expenditure norms. For example, the Ministry of the Automotive Industry will have to reduce its norms for rolled ferrous metals by 18 percent. But in 3 years the ministry has only provided for an 8 percent reduction of them. The Ministry of Tractor and Agricultural Machine Building, with an assignment for 18-20 percent, has reduced them by 18.2 percent. These ministries have not fulfilled their assignment for reducing the norms for the expenditure of rolled metal during the first half of 1984 either. The assignment for the overall savings on boiler and furnace fuel during 3.5 years of the five-year plan was fulfilled by the USSR Ministry of Power and Electrification by 5.3 percent, the USSR Ministry of the Coal Industry--by 39 percent, and the USSR Ministry of Ferrous Metallurgy--by 53 percent.

It should be noted that certain territorial agencies of our system are not working hard with the enterprises and organizations to carry out the assignments they have set for economizing on material resources. The Northern Caucasus Main Administration, for example, in 1983 provided for the fulfillment of the assignment for the reduction of the expenditure of metal by only 9.2 percent, and cement--by 17.3 percent. This administration did not achieve any essential improvement in the first half of last year either.

The task of control agencies consists in establishing permanent and unwavering control over the course of the fulfillment of assignments for the average

reduction of norms for the expenditure of the main kinds of resources. It is necessary to have active participation on the part of all units of the USSR Gossnab system in the development and implementation by the ministries, departments, associations and enterprises of organizational and technical measures which will undoubtedly provide for a real and significant savings on materials by each enterprise and each organization.

There is a reason for saying "real and significant savings" here. The fact is that frequently in the reports we discover figures for economizing on material and technical resources which it would seem could only make one grateful. But in fact the "thriftiness" is only on paper, as a result of tricks and energy directed toward using all means to provide for "covering up" conditions that are beneficial and advantageous for the individuals writing the reports. Unfortunately, the managers of many enterprises forget about the fact that the state is not at all indifferent to the price that is paid for carrying out the established plans.

Here are some examples of this. Construction organizations make calculations of the need for material resources and especially cement according to norms that are approved by the association or trust. These norms, as a rule, are considerably higher than those recommended by the USSR Gosstroy and higher than the actually achieved proportional expenditure. Hence the growth of above-normative supplies which already has a persistent tendency toward increasing.

There are considerable reserves for economizing on rolled metal in connection with increasing the coefficient of its utilization and reducing the metal-intensiveness of products as well as increasing the utilization of commercial wastes. At a number of enterprises, as the inspection shows, the coefficient of the utilization of metal is 0.5-0.6, and for certain parts it is even lower. Most of the commercial wastes go for scrap metal.

Unfortunately, the coefficient of the utilization of metal has remained practically the same for a long period of time. The Ministry of the Electrical Equipment Industry, Ministry of the Automotive Industry, Ministry of Tractor and Agricultural Machine Building, Ministry of Heavy Machine Building and a number of other ministries must raise this indicator by 3-5 points. This is not an easy task, but it can be done.

A good number of machine-building enterprises produce technical equipment and other equipment that is obsolete. Inspections and an analysis of the statistical reports show that certain items and individual kinds of machines have been manufactured without any changes since 1964 and even since the 1950's. The proportion of these products in the overall volume of production is unacceptably high: in 1983 at enterprises of the Ministry of the Automotive Industry--26.7 percent, the Ministry of Power Machine Building--almost 25.5 percent, the Ministry of Tractor and Agricultural Machine Building--32 percent, and the Ministry of the Electrical Equipment Industry--25 percent.

A great national economic effect lies in the utilization of secondary fuel and energy resources. The facts show that a considerable quantity of them are

lost. In just 10 fuel and energy ministries (Ministry of the Chemical Industry, Ministry of Nonferrous Metallurgy, Ministry of Ferrous Metallurgy, Ministry of the Construction Materials Industry and others) each year about 15 million tons of fuel in conventional calculation are not being used.

An important means of economizing is to reduce losses of products during transportation and storage. The annual losses, say, of cement and mineral fertilizers amount to about 10 million tons. Approximately the same amount of coal is lost during shipment. When transporting and cutting window glass the waste reaches 35 percent. The fight against losses of material values requires constant active work on the part of all subdivisions of the USSR Gossnab in close contact with the ministries, departments and enterprises.

Today, in our opinion, the question of improving planning of all work for economizing has reached its full maturity. The fact is that central planning and branch agencies do not devote the necessary attention to this question. Frequently enterprises of industry and construction are informed of their assignments for economizing very late, without coordination with the reduction of expenditure norms, and sometimes they are not informed at all, in spite of the fact that they have reserves for economizing. And if they are established for subordinate enterprises, the attitude toward them on the part of the people in charge and the branch staffs frequently is as though this were not mandatory.

It seems expedient to establish a unified assignment for economizing on resources, excluding an additional one so that it is organically combined with the basic indicators of the operation of the branches of the national economy.

Experience shows that the material incentives for economizing on resources are in need of radical improvement. Take, for example, enterprises of the Ministry of the Machine Tool and Tool Building Industry. Last year at many of them the bonuses for reducing the expenditure of metal were not paid at all or they were paid to a small group of people and amounted to a miserly sum--from 80 kopecks to 3 rubles per person per month.

Another example. At certain enterprises of the Ministry of Road, Construction and Municipal Machine Building last year for all kinds of bonuses for each worker there were about 370 rubles, and for economizing on resources they paid only 16 kopecks. This kind of stimulation undermines the material interest in the final national economic results and leads to mismanagement. In inspections it is necessary to establish more rigid control over the application of bonuses for economizing on resources.

It should be noted that in spite of the significant amount of work that has been done in recent years for improving state control over the utilization of resources in the national economy, the level still does not fully correspond to present conditions. The main shortcoming is that we have not achieved the necessary effectiveness. The final indicators for economizing on resources should be based on its evaluation. Yet many territorial agencies in the reports they submit do not reflect all of the work that has been done and do not disclose the savings from the influence of control. Frequently half of the report is taken up with an enumeration of those inspections and the

enterprises that were inspected with the statement of cases of inefficient utilization of one kind of material resources or another, without the slightest analysis of the causes. Information about positive experience is frequently lacking.

At one time the USSR Gosnab instructed the NIIMS to develop the corresponding methods for determining the effectiveness of control. But this instruction was never carried out.

It should be emphasized that the quality of the inspections that are conducted is sometimes lowered significantly because of the lack of coordination of the actions of various subdivisions of our system and the inability to arrange the work efficiently, consistently and on a planned basis. This leads to unnecessary duplication.

The leaders of our subdivisions are well aware that the inspections of the utilization of material and fuel-energy resources, along with the planned ones, can be conducted only with the agreement of the Administration of State Control of the USSR Gosnab. But individual main supply and sales administrations and also committee administrations frequently violate this principle requirement, and thus they destabilize the work and cause disorganization. For example, these violations were allowed by Soyuzglavmetiz, Soyuzglavtsement and the administration of the construction materials industry.

Life does not stand still. Today there has appeared a persistent need to organize control over the new areas for economizing, to introduce order and, to a certain degree, to standardize all this work. For instance, for the main materials in construction and rolled ferrous metals and machine building it would be expedient to change over to standard programs for inspections.

Individual territorial agencies are slow at restructuring their work for putting a stop to cases of extravagance and mismanagement, they allow violating enterprises to go unpunished, and they do not send the materials to the procurators' agencies for making the guilty parties answerable. A number of union main supply and sales administrations are not providing the proper control over the substantiation of applications that are submitted by ministries, departments, enterprises and organizations for raw and processed materials. When allotting supplies and reporting the presence of above-normative supplies with the consumers they do not always take into account the level of fulfillment of the production plan in terms of the volume and products list.

Nor can one fail to mention that in inspections not enough attention is devoted to the expenditure and storage of material values as subordinate enterprises when products are delivered. In certain territorial agencies there is unfunded dispatch of materials, increased residuals of unutilized material values for a long period of time, and violation of the rules of storage.

Residuals of such values have increased in the gosnabs of the Tajik SSR and Belorussian SSR, and the Middle Volga, Bashkir, Volga and several other main

territorial administrations. This is a direct consequence of the inadequate persistence in the work for selling these products. Moreover certain union main supply and sales administrations--Soyuzglavstroymaterialy, Soyuzglavspetsodezhda and others--in spite of objections from territorial agencies, allot them products without orders.

There are many shortcomings in the storage of materials, especially metals, paint and varnish, chemicals and construction materials, at enterprises which deliver products. The Middle Volga, Middle Ural, Oka and other administrations should introduce order in "their own home" and be a standard so as to have the moral right to demand the same thing of industrial enterprises and construction organizations.

In recent years a great deal of significance has been attached to retaining our personnel and increasing their skills. To this end we annually conduct training both in the central areas and in the local areas. This was the reason for the revision of the program of training in the VIPK, where the corresponding specialization was introduced. But the existing possibilities are being utilized poorly. In a number of cases the workers they send to the VIPK for special training do not even indirectly have anything to do with state control. For example, the Kuzbass and Kharkov main territorial administrations sent the directors of their wholesale stores, and the Kamchatka Administration--the senior salesmen.

I should like to touch upon one more problem, on the rights of USSR Gossnab agencies related to violations of the utilization and storage of material and fuel-energy resources in the national economy. One frequently hears that we do not have sufficient rights here. One cannot agree with such statements.

We have concentrated in our hands a large and effective arsenal of legal and economic means of influencing careless managers. We should not speak of inadequate rights, but of effective utilization of them. Having revealed cases, say, of nonfunded dispatch of products, there is no reason at all to wait for instructions from the USSR Gossnab, as is frequently the case, concerning reducing the deliveries. It is necessary to solve the problem on the spot independently and efficiently.

Since January of this year we have increased the responsibility for inefficient utilization of material resources. We have increased the fines against enterprises and organizations for overexpenditure as compared to the established norms and the utilization of material resources for something other than their intended purposes. This provides additional rights and at the same time imposes great responsibility on the subdivisions of the USSR Gossnab system.

At the All-Union Conference of People's Controllers Comrade K. U. Chernenko emphasized: "Promptly taking note of omissions and preventing them from growing into large breakdowns--this is what is especially important.... And, of course, any inspection must be brought to completion, and not put off until the situation is rectified. This means that in the work of people's control it is necessary to merge into one inspection, prevention and rectification of shortcomings."

Guided by these instructions, the administration of state control in the corresponding subdivisions of territorial agencies and union main supply and sales administrations will have to radically improve the work for economizing and efficiently utilizing material and technical resources in the national economy. It will be necessary to devote constant attention to searching for new forms and methods of this work and in all ways to strengthen contacts with ministries and departments and central committees of branch trade unions where the materials from the inspections are taken into account when summing up the results of socialist competition. Efficient organization of all units of the USSR Gossnab system and increased responsibility of specialists--from the manager to the specific worker--for reducing material consumption will contribute to further intensification of the economy.

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REGIONAL DEVELOPMENT

TURKMEN SSR PROJECTS PLANNING TO 1990

Moscow PLANOVYE KHOZYAYSTVO in Russian No 2, Feb 85 pp 79-84

/Article by V. Abramov, chairman of the Turkmen SSR State Planning Committee:  
"The Turkmen SSR in the Country's Unified National Economic Complex"/

/Excerpts/ The 22nd Congress of the Communist Party of Turkmenistan examined the draft of "Basic Directions for the Economic and Social Development of the USSR for 1981-1985 and for the Period Until 1990" and the tasks of the republic's party organization for the further increase in the efficiency of public production through a better utilization of fuel, mineral raw material, land and water resources, refinement of the sectorial structure of industry, improvement in the distribution of productive forces, establishment of new sectors ensuring progressive changes in national economic proportions, creation of labor-intensive industries for drawing youth finishing secondary and vocational-technical schools into public production, further development of the sphere of services, culture and education and improvement in workers' housing and domestic conditions.

The results of the republic's economic and social development during the 10th Five-Year Plan and the expected fulfillment of the assignments of 4 years of the 11th Five-Year Plan point to new advances in all material production sectors and in the rise in the population's well-being. In industry during that period, as a result of the outstripping development of sectors producing products with a completed production cycle, the proportion of raw material sectors in the total production volume was lowered from 54.6 to 46.6 percent. The level of utilization of production capacities in the construction materials industry, in light and food industries and so forth rose. Measures for an efficient utilization of labor resources were implemented.

By the end of 1985 fixed capital will increase 2.2-fold and reach 20 billion rubles. The volume of the gross national product will increase by 36 percent and the national income produced on the republic's territory, by 28 percent. Real per-capita income will rise by 24 percent. The volume of production in industry will total more than 4 billion rubles, which is 28 percent more than in 1975.

For the purpose of a better utilization of free labor resources 57 affiliates and shops of existing enterprises of labor-intensive sectors have been placed in small cities and rayon centers.

Turkmenistan is now a large industrial and agrarian region in the country with a developed industry and mechanized agriculture. The volume of industrial output increased 181-fold as compared with 1924. During that period the production of agricultural products increased 13-fold and of raw cotton, 34-fold. The stock of cattle increased 2.2-fold and of sheep and goats, 1.9-fold.

The scientific and technical potential rose. In the structure of the Turkmen SSR Academy of Sciences there are 15 scientific institutions. Scientific research results have found an extensive application in the national economy of the republic and the country. In 1983 alone 340 developments and recommendations with an economic effect of more than 23 million rubles were introduced in Turkmenistan's industry and agriculture.

The economy of the Turkmen SSR is an integral part of the country's unified national economic complex. It is inseparably connected with the economy of all fraternal Union republics. Problems, with which the republic could not cope alone, are solved with their help.

At present Turkmenistan makes an important contribution to the all-Union economy. The republic has become a major supplier of natural gas. More than 70 billion cubic meters are transferred through gas pipelines to the country's central regions. The transfer of electric power generated at the Mary GRES /State Regional Electric Power Station/ to the integrated power system of Central Asia has increased considerably in the last few years. The republic exports petroleum and petroleum processing products. The output of the chemical industry--sodium sulfate, sulfur, iodine, bromine, ozocerite and epsomite--occupies a big place in the export. Broad relations have been established with many regions for deliveries of ventilators for cooling towers, centrifugal pumps, kneading and creaming machines, gas ranges, cable, glass and hides.

Cotton fiber and karakul make up a big share in the export. In the production of cotton fiber the republic holds the second place after Uzbekistan in the country. The fiber of fine-fiber cotton varieties produced in the Turkmen SSR is the highest in quality and is not inferior to world standards.

Washed wool, raw silk and some other types of agricultural products are exported in significant volumes from Turkmenia. Turkmen carpets, which are noted for their durability and beautiful ornaments, are in great demand not only in our country, but also abroad.

As the national economy of Turkmenistan develops, the delivery of industrial and agricultural products to the country's other regions not only increases, but its structure changes. The volume of articles with a completed production cycle, including such sectors as machine building and the chemical sector, increases. From other Union republics the Turkmen SSR receives cotton harvesting machines, technological equipment for industrial enterprises, fabrics, grain and many types of agricultural products.

The economic relations of the Turkmen SSR are manifested in the widely developed socialist competition among agricultural workers in Turkmenistan, Uzbekistan, Tajikistan and Azerbaijan, which has become a tradition. The exchange

of mutually checking brigades contributes to the growth of the production of cotton and livestock products, prescheduled fulfillment of obligations to the state, introduction of advanced, new farm management techniques and raising of economically weak farms to the level of advanced ones.

A mutual exchange of scientific and technical experience, skilled personnel and students is one of the forms of cooperation of the Turkmen SSR with other republics. In the academies of sciences of these republics and in sectorial scientific research institutes scientists are trained in different specialties.

Such major preplan drafts as the "Overall Program for Scientific and Technical Progress in the Turkmen SSR Until the Year 2005" and the "Scheme for the Development and Distribution of Productive Forces in the Turkmen SSR Until the Year 2000" prepared by the Turkmen SSR State Planning Committee and the Turkmen SSR Academy of Sciences jointly with USSR and the republic's ministries and departments played an important role during the examination of the prospects for the republic's development.

Turkmenistan has a powerful economic and scientific-technical potential, many types of mineral raw materials, favorable conditions for agriculture and a high provision with labor resources. There are potentials for the further development of the petroleum extracting industry. Explored natural gas reserves create the prerequisites for accelerated rates of development of gas extraction.

The transfer of petroleum and gas from the fuel sphere into the sphere of their processing into chemical products, which can be sufficiently provided with potash and magnesium salt and other types of raw materials from Kara-Bogaz-Gol, is an important technical direction. Large potash salt reserves have been uncovered in the Gaurdak-Kugitangskiy Region. Rock salt deposits sufficient for industrial development are located here. Turkmenia also has other minerals--valuable raw materials for the chemical industry. The expansion of the capacities of existing enterprises for the production of mineral fertilizers is advisable. A large, new enterprise for the production of potash fertilizers can be established on the basis of potash salt in the Gaurdak-Kugitangskiy Region.

In the republic there are conditions for the production of synthetic resins and plastics, that is, a powerful raw material base--natural gas and its components and sufficient power and surplus labor resources. On this basis during the 12th Five-Year Plan it is possible to begin the formation in the republic's east of a chemical gas complex for the production of polyethylene and other types of plastics.

The task of improving the sectorial structure of industry is set. Sectors producing products with a completed production cycle should be developed in an accelerated manner. They are primarily machine building and light and food industries.

As before, light and food industries will remain some of the basic sectors of specialization. The continuous growth of the production of agricultural products and raw materials is an objective prerequisite for their further development.

High rates of population growth will remain in the republic in the future, as during the preceding period. Labor resources will increase accordingly. An efficient utilization and increase in the employment of the able-bodied population in public production is one of the major scientific, economic and planning tasks.

For the purpose of creating new work places, it is advisable to place in the republic labor-intensive machine building sectors (for example, the electrical equipment sector, instrument making and so forth) and to continue the establishment of affiliates of enterprises in small and medium-size cities.

In accordance with the all-Union division of labor, favorable natural conditions and high economic efficiency cotton growing will continue to develop in the republic. An increase in the production of fine-fiber varieties is the most important task of this sector.

Turkmenistan has possibilities for expanding sown areas under fruit and vegetable crops, especially with the watering of the republic's western regions. In these regions there is a great deal of land suitable for irrigation and climatic conditions are most favorable. However, the area of fruit and berry plantings and grapes is not big. Horticulture and viticulture as yet do not meet the population's needs for fruits and grapes.

The USSR Food Program set the task of meeting not only its own needs for fruits and grapes, but also those of the country's other regions.

The existence in Turkmenia of big areas of distant pastures and piedmont hay-field land is conducive to the development of sheep breeding.

Camel breeding--an animal husbandry sector most adapted to desert conditions--is an important potential for an increase in meat, wool and milk production. It does not require big material and labor expenditures. The experience of camel breeding farms and specialized sections confirms their high profitability.

The long-term program for reclamation and increase in the efficiency of utilization of reclaimed land until the year 2000 approved by the October (1984) Plenum of the CPSU Central Committee envisages, on the basis of the Karakum Canal and the Tashauz branch of the Tyuyamuyunskiy Canal, increasing the area of irrigated land in the Turkmen SSR to 1.3 or 1.4 million hectares, performing work on the desalinization of irrigated land and improvement in the technical state of existing irrigation systems, increasing the production of fine-fiber varieties of cotton and raising its yield.

For the purpose of a more detailed study of scientific-technical, economic and social problems facing the republic during a long-term period the Turkmen SSR State Planning Committee jointly with the republic's Academy of Sciences, ministries, departments and oblast executive committees is working out a number of goal-oriented overall programs for the 12th Five-Year Plan.

In accordance with the decisions of the 22nd Congress of the Communist Party of Turkmenistan a goal-oriented overall program "Formation and Development of the East Turkmen Territorial Production Complex" was prepared. Along with republic

scientific and planning institutions more than 15 scientific research and planning organizations in the country participated in the development of this program. Substantiating materials for the development in the structure of the East Turkmen Territorial Production Complex of a complex for the production of plastics, sulfur, cotton and silk fabrics, mineral fertilizers and food products were prepared. The realization of this program will make it possible to raise the level of the region's development and to increase the republic's contribution to the all-Union economy in many products.

Jointly with interested ministries and departments a goal-oriented overall program for the development of the sectors of the agroindustrial complex in the Turkmen SSR until 1990 was prepared.

The attained level of economic and social development sets new problems for Turkmenistan's workers. In the republic there are big potentials for the growth of industrial and agricultural production and increase in the efficiency of production and construction. Their utilization will enable the Turkmen SSR to reach new goals and to significantly increase their contribution to the solution of statewide problems.

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REGIONAL DEVELOPMENT

PROSPECTS, PROBLEMS OF DEVELOPING ARAL SEA AREA DEBATED

Alma-Ata NARODNOYE KHOZYAYSTVO KAZAKHSTANA in Russian No 1, Jan 85 pp 19-33

/Article: "Aral Sea Area: Problems of and Prospects for Development"

/Text/ Regional Scientific and Practical Conference in Kzyl-Orda

The Kzyl-Orda Oblast Committee of the Communist Party of Kazakhstan and the Council for the Study of Productive Forces in Kazakhstan under the Presidium of the Kazakh SSR Academy of Sciences held a regional scientific and practical conference: "Problems of and Prospects for an Overall Development of Productive Forces in Kzyl-Orda Oblast."

Key party, Soviet and trade-union workers in the oblast, specialists of the republic's State Planning Committee, ministries and departments, scientists of the USSR Academy of Sciences, the Kazakh SSR and the Uzbek SSR Academy of Sciences, the eastern department of the All-Union Academy of Agricultural Sciences imeni V. I. Lenin and sectorial scientific research and planning institutes in Moscow, Alma-Ata, Kzyl-Orda and other cities, workers of planning, financial and economic services and advanced production workers took part in its work.

Opening the conference, T. Ye. Yesetov, first secretary of the Kzyl-Orda Oblast Party Committee, stressed its great practical importance. It will make it possible to determine the most pivotal problems of the development of the economy, culture and social reorganization of the oblast during the 12th Five-Year Plan and the more distant future. It is to be assumed that the adopted recommendations will be reflected in the basic directions of the economic and social development of the Kazakh SSR for the period until the year 2000. The Kazakh SSR Academy of Sciences, the republic's State Planning Committee and their institutes carried out large-scale organizational work on the preparation of the conference.

The oblast is rightfully called a rice granary. About 20 percent of the Union and 70 percent of the republic volume of rice production is produced here. In 1984 alone, a year most complicated in its weather conditions, the average yield per hectare totaled 49.4 quintals. This made it possible, for the first time in the oblast's history, to sell more than 24 million poods, or 394,000 tons, of grain, to the state and to ensure the overfulfillment of the plan for 4 years of the 5-year period by 154,000 tons.

Today it is especially impressively evident how far-sighted and wise the broad land reclamation program adopted by the May (1966) Plenum of the CPSU Central Committee is. Reclamation and irrigation construction in the oblast have assumed a vast scale. About 1 billion rubles have been invested in overall reclamation during past years. A total of 155,100 hectares of irrigated land prepared by engineers have been put to use and 37 new sovkhozes have been organized. The oblast's contribution to the development of karakul sheep breeding is substantial. It gives one-fourth of the karakul furs produced in the republic. For the first time during the entire history of the sector's development more than 1 million lambs have been obtained. The volume of gross agricultural output has reached 258 million rubles, which is a definite contribution to the realization of the Food Program.

The Aral Sea Area is not only a region of advanced agriculture, but also a complex of modern industrial production facilities. Here there are over 70 industrial enterprises, whose output has increased more than 70-fold as compared with 1913. They produce products worth 300 million rubles. The industry produces more than 500 types of products almost 60 percent of the salt, 45 percent of the hulled products and more than one-half of the pulp and paper products. The Dzhalaqash Elevator, a silicate wall material plant and a nonwoven material factory have been put into operation in the last few years. The Ris-mash Plant, a plant for the repair of pumping-power equipment in Aralsk, a rayon boiler house, a drama theater and an airport are being built.

The strengthening of the economy has made it possible to solve social problems more systematically and persistently. A total of 374,000 square meters of housing have been built during the years of the 11th Five-Year Plan. The appearance of cities, rayon centers and farms has changed fundamentally. More than 44,000 specialists with diplomas and 110 doctors and candidates of sciences are employed in the oblast's national economy. The Scientific Research Institute of Rice, a zonal machine testing station, the Experimental Farm imeni Amangel'da of the Kazakh Scientific Research Institute of Karakul Breeding and a number of higher educational institutions and teknikums operate in the oblast.

The decisions of the 25th and 26th CPSU congresses and subsequent plenums of the Central Committee of the party have set large-scale tasks for an accelerated development of productive forces in eastern regions, drawing of their rich natural resources into the economic turnover and equalization of the level of economic development of individual regions. The conference examines vitally important problems of development of the oblast's economy and culture.

T. Ye. Yesetov said further that, taking advantage of the presence of prominent scientists and directors of ministries and departments, he would like to express a number of considerations.

First, the fact that the productive resources of our region are not yet utilized fully evokes concern. The industry is developing poorly. It seems that this is due to the fact that the oblast's natural resources have not yet been studied sufficiently. This leaves its imprint on the formation of the structure of industrial production. We believe that it is necessary to accelerate the work on prospecting mineral raw material resources in the lower reaches of the Syr-Darya in order that the proportion of industry may increase considerably.

Second, at present in connection with the regulation of the river flow the water discharge in the river has decreased sharply and the mineralization of surface, as well as ground, water has risen and its sanitary state has worsened. This has led to the appearance of fertile soil erosion and to the disappearance of valuable fodder land. To put it in order is an urgent matter. This is the demand of the party and of the October (1984) Plenum of the CPSU Central Committee. Therefore, we are faced with the problem of searching for new water sources not only for their extensive utilization in agriculture, but also for the population's water supply. Underground water reserves have also been explored poorly. On the oblast's hydrogeological map Kzylkumy and the foothills of Karatau remain "white spots" and the data on other regions, obviously, have become obsolete. The fact that the hydrogeological expedition does not have the proper drilling equipment and auxiliary machinery also hampers the prospects for the exploration of underground water.

Third, speaking of fodder, I would like to note the following. The grass stand deteriorates every year. Here we need specific help on the part of the Scientific Research Institute of Meadow and Pasture Farming. Moreover, there is an urgent need to open a department of this institute in our oblast, because the problem of growing grass and vegetation in a semidesert zone has been poorly studied by scientists.

Fourth, the following fact is noteworthy. The oblast's climate is sharply continental and families are larger traditionally. At the same time, the standard plans of dwelling houses, schools and kindergartens used in construction do not fully take into consideration these characteristics. The time has come to develop and introduce into construction projects, which would correspond to the climatic conditions and demographic situation of our region.

Fifth, in the last few years irrigated farming has caused a rise in the level of ground water, which, owing to its aggressiveness, has a destructive effect on underground structures, installations and engineering lines. A study and solution of this problem will make it possible to prolong the standard life of engineering lines.

Addressing the October (1984) Plenum of the CPSU Central Committee, K. U. Chernenko, general secretary of the CPSU Central Committee, said the following: "Carrying out extensive reclamation, we encroach upon nature in one way or another. We must act very cautiously so that, when transforming land, we not only do not damage it, but improve and enrich it and augment the capabilities of nature. All of us are obliged to live not only for today, but for tomorrow as well, and avoid hasty and rash decisions."

We hope that scientists will conduct additional research on the study of the effect of water management measures on the regime of the Aral Sea and on the oblast's ecology.

#### Production Facilities Must Be Placed Optimally and Efficiency of Scientific Research Must Be Increased

/By U. Baymuratov, corresponding member of the Kazakh SSR Academy of Sciences, chairman of the Council for the Study of Productive Forces of the Kazakh SSR Academy of Sciences/

The Kzyl-Orda Aral Sea Area belongs to the country's regions, whose economic development is determined primarily by big land resources suitable for agricultural use. Owing to this, in the country's unified national economic complex the oblast appears as a large producer of rice and karakul (26 percent of the all-republic production). In these types of agricultural products it participates successfully in all-Union and republic farm specialization. Potatoes, vegetables and, especially, melon crops are also produced in significant volumes. Camel and horse breeding is more developed than in the republic's other oblasts. With regard to industry it is represented by sectors of the salt, hulling and milling, wool and fish industry, as well as by pulp and paper production.

However, if general economic development is considered, in this respect a marked lag of the vast region, as compared with others, is revealed. In the level of per-capita gross output Kzyl-Orda Oblast is now second to a number of oblasts.

What are the reasons for such a situation and what are the pivotal problems of development of the region's productive forces?

Certain natural factors limiting the development of resources and productive forces are present in every economic region. Kzyl-Orda Oblast is characterized by a pronounced noncorrespondence between rich land resources, on the one hand, and a shortage of irrigation water, on the other.

The republic's scientific institutions, primarily the Kazakh SSR Academy of Sciences, conduct significant fundamental and applied research on problems of the Aral Sea and the Aral Sea Area. For the purpose of concentrating the funds and forces of scientific collectives, better coordinating their activity, generalizing materials and working out recommendations for planning and directive bodies, the Presidium of the Kazakh SSR Academy of Sciences organized a commission on the problem of the Aral Sea.

A decree of the Presidium of the republic's Academy of Sciences "On the State and Further Development of Research on the Problem of the Aral Sea" was adopted in 1984. It envisages an intensification of scientific research in the academic institutions and organizations of the ecosystem station on the dry part of the territory of the Aral Sea.

As research shows, the Kzyl-Orda part of the Aral Sea Area has available certain natural resources for an overall development of the region's productive forces.

The Council for the Study of Productive Forces of the republic's Academy of Sciences adheres to the concept of social and economic development of the Aral Sea Area envisaging an outstripping growth of productive forces and an equalization of the level of social development of this territory--even under conditions of limited water resources--with the need to ensure a full employment of labor resources in public production, to increase the efficiency of sectors and to restructure the national economy.

On the basis of intensification and improvement in the structure of public production by the year 2000, as compared with 1980, the total gross output of industry and agriculture can be increased sharply and the volume of water consumption in these two leading national economic sectors can be lowered to 5/6 the amount previously used, which is of fundamental importance.

Certain shifts have occurred in the structure of the oblast's economy during the last 5-year periods. A process of transfer of the oblast's economy from primarily agrarian to industrial-agrarian specialization has appeared.

Industrial development is characterized by a certain expansion of the range of produced types of industrial products. Along with traditional sectors advanced, new specialization sectors (production of reclamation equipment, geological equipment, sea and river barges, motor boats, fire and pumping stations and semi-trailers) have appeared. At the same time, the rates of the oblast's industrial development do not yet meet the needs of the national economy and the region's resource capabilities. The degree of industrial development of this territory is still insufficient.

At present the development of industry is basically oriented toward the utilization of local agricultural raw materials and labor resources. Therefore, in the sectorial structure of industry labor intensive production facilities of light and food industry are developed on a priority basis, while the proportion of base sectors (electric power engineering and machine building) is negligible. Such an orientation does not ensure a truly overall development of the region's productive forces. It does not take into consideration the possibility of more efficiently drawing a number of mineral raw material resources into the economic turnover.

Deposits and ore manifestations of combustible minerals (coal and combustible shale), ferrous, nonferrous and noble metals, nonore raw materials (sodium chloride, sodium sulfate, phosphorites and gypsum) and building materials (foundry sand, limestone, dolomites and gypsum) have been discovered and explored in the Aral Sea Area.

On the basis of explored hypothetical oolitic iron ore resources in the Aral Sea Area with the solution of the water supply problem it is possible to establish a new center of nonferrous metallurgy in the republic. Overall iron ore processing in the Aral Sea Area will make it possible, apart from the basic component, that is, iron, to additionally obtain alumina and to utilize phosphorus-containing slag as an effective and cheap fertilizer in agriculture.

The Aral Sea Area is richly represented by deposits of various types of nonore raw materials with favorable mining and geological conditions of exploitation. Despite this only 50 percent of the oblast's need for some building materials is met by its own production. In particular, there is a lag in the output of local binders--construction lime and gypsum. These materials are now brought from Dzhambul and Chimkent oblasts. Meanwhile, they could have been produced in sufficient volumes from local raw materials.

Structural policy in the region should also be oriented toward an outstripping development of machine building, in particular agricultural machine building, which determines technical progress, uses skilled labor and consumes little water (in the sector expenditures on water supply and its purification in total expenditures comprise 0.7 to 0.9 percent), which is very important under existing conditions.

In the future the production specialization of the oblast's industry, along with existing sectors, should be expanded through the establishment of new production facilities for the extraction and concentration of lead-zinc ores and the output of mixed feed and chemical household products. The oblast should continue to actively participate in the intrarepublican division of labor with the output of food, pulp-cardboard and light industries.

The implementation of structural shifts in industrial production and the attainment of high rates of development of labor intensive, but low-water retaining, sectors (construction of sewing, worsted-spinning, carpet weaving and felting factories and so forth) in the oblast's industrial centers will make it possible to more fully utilize local natural and labor resources, especially women's labor reserves.

Further industrial development in the oblast should take into consideration the need for an overall formation of a regional agroindustrial complex, intensification and expansion of the specialization of its sectors, establishment of a developed production and social infrastructure, an efficient utilization of local resources and the maximum possible expansion of intraoverall, intersectorial and interregional relations. Ultimately, all this will enhance the role and significance of the regional agroindustrial complex in the solution of a number of major national economic problems on an all-Union level.

At present the territorial structure of industry is characterized by an uneven placement and the greatest concentration in the city of Kzyl-Orda. Significant changes should occur in the territorial placement of industry in the future.

For example, the construction of affiliates of large enterprises and associations of Alma-Ata, Chimkent and Dzhambul in small and medium-size cities is of great importance for an efficient territorial organization of production.

Such a formulation of the problem of placing affiliates not only on the territory of one oblast (as is done now), but on a wider regional scale of South Kazakhstan, will contribute to the strengthening of production and economic relations among oblasts. Nor should the possibilities of the watch method be taken into consideration.

The Kzyl-Orda Aral Sea Area virtually does not have traditional energy resources. The energy provision of farms is attained primarily through thermal electric power stations on the basis of imported coal and electric power obtained from neighboring oblasts. The present level of power supply excludes the placement of power-intensive production facilities and hampers the further development of productive forces. Therefore, the prospects for the growth of the oblast's economic potential depend to a significant extent on the development of electric power engineering in Kazakhstan as a whole and in south-western oblasts in particular, including the development of atomic power engineering in Kzyl-Orda Oblast and in West Kazakhstan.

In our opinion, there is a great need for a special study of the problem of long-term power supply for the south and south-west of Kazakhstan.

With due regard for the natural-economic characteristics of Kzyl-Orda Oblast it is advisable to preserve the existing specialization of farming and livestock sectors for the future.

To improve the state of land areas, it is necessary to plant pasture protective saxaul forest strips, to overseed wild-growing grass and to organize a pasture rotation. For the establishment of a stable fodder base it is necessary to expand the sowing of fodder crops. For example, the proportion of lucerne and sweet clover in rice crop rotation, in our opinion, should be no less than 40 to 45 percent. It is also necessary to fundamentally improve natural fodder land, to establish perennial cultivated pastures and to expand pasture watering.

The solution of the crop rotation problem is of great importance in providing animal husbandry with a stable fodder base. It should be quite flexible, not only filled with the main crop, but also meeting the needs of public production. However, such crop rotations do not exist on all farms.

Horse and camel breeding, which produce cheap meat and healthful milk, are the traditional sectors of the oblast's animal husbandry. An increase in their commodity output is connected with the organization of specialized and mechanized farms and improvement in pedigree work with the local breed "jabe."

It is also necessary to develop specialized economic associations and interkolkhoz enterprises for raising replacement heifer-calves. It is advisable to expand cattle breeding of dairy specialization on farms located close to cities and industrial centers.

Under the conditions of the Aral Sea Area crops with a lower irrigation norm, which with an efficient organization of production can give a big economic effect, are of great importance. They include food melons. Thus, Kzyl-Orda melons are not only of local importance, but are also transported beyond the republic's boundaries. Their high-quality transportable fall and winter varieties with good keeping properties have been developed here.

Taking this into consideration, it is necessary to establish farms specialized in melon production with special storage facilities and enterprises for processing.

The prospects for the development of the fish industry in the region depend primarily on an efficient utilization of lake systems. From existing six large lakes, with their optimum operation, it is possible to obtain 10,000 to 15,000 tons of fish. For this on the basis of these lakes it is advisable not only to organize commodity lake fisheries, but, what is most important, on a scientific basis to control the process of breeding commodity fish and the development of the fish industry in the region.

An efficient utilization of water, especially under the conditions of its shortage, is of paramount importance. On some farms in Kzyl-Orda Oblast water delivery per irrigated hectare exceeds the weighted average irrigation norm 1.5- to 2-fold. As a result, the efficiency of existing irrigation systems is only 0.5 to 0.6. According to the estimates of specialists, the efficiency of irrigation

systems, through reorganization, reconstruction and other measures, can be increased to 0.75-0.8. This, in turn, will make it possible to increase the irrigation capacity of the water delivered to the field and to significantly expand the areas of irrigated land. It must be noted that there are recommendations by scientific institutions for an increase in the efficiency of irrigation systems. For example, the Institute of Soil Science of the Kazakh SSR Academy of Sciences and other organizations perform work on the development of an antifiltration screen both in the irrigation network and on fields. The experiments conducted show that the use of these screens will make it possible to raise the efficiency of systems to 0.8 or 0.9 and to save up to 1.5 or 2.0 cubic meters of water per hectare.

An efficient distribution of the water resources of the Syr-Darya among water consumers is of exceptionally great importance. It is necessary to examine the possibilities of transferring water management organizations to full cost accounting, to give up their financing from the state budget and to introduce for all water consumers the principle of payment for the water resources used by them and economic sanctions against them for sewage pollution. The mechanism of payment and sanctions should be especially studied and developed. For a correct distribution of pure water among water consumers it is necessary to subject waste liquid from irrigation fields and the sewage of cities and industrial centers located above the Chardara Reservoir to a complete purification in accordance with the requirements of existing USSR legislation. It is necessary to establish firm quotas for the quantity and quality of Syr-Darya water.

It is advisable to develop a goal-oriented overall program for the regulation of the utilization and control of water resources in the entire Aral Sea basin. This program would envisage measures for the protection, preservation, purification and distribution of water resources with due regard for the combined expenditures on these purposes with the reflection of the means and ways of realization of the program according to periods coordinated with all the interested ministries, departments and local bodies.

The proposal to establish in the delta of the Syr-Darya a system of running-water lakes for a natural biological purification of collector water and for its utilization for the watering of pasture-hayfield land deserves attention.

In the Aral Sea Area there are many exploitative underground water reserves. They are already used in various sectors of the oblast's economy. However, a fuller use of existing underground water reserves presupposes an extensive introduction of the distillation of mineralized water by electrodialytic distilling units, which are already available on the oblast's farms and have shown their efficiency.

The further development of productive forces and social progress in the region are impossible without an outstripping growth of building production and the strengthening of its material and technical base. Therefore, overall measures for improving the network of construction and installation organizations and building materials enterprises, increasing the efficiency of their activity and reinforcing them with skilled personnel should be developed and implemented systematically.

The development of transport in the oblast requires serious attention. The level of development of transport arteries does not correspond to the needs. Therefore, the construction of a motor road and of a number of new railroads and the development of air lines seem advisable.

Taking the great social and economic significance of the Aral Sea into consideration, it seems advisable to begin the artificial separation of the Aral Sea through the construction of a dam in the Straits of Berg. This will make it possible to retain the fishing and recreation significance of the Aral to a certain extent.

It should be noted that the country's various scientific institutions have developed overall measures for the stabilization of the level of the Aral Sea and improvement in the natural potential of the deltas of Syr-Darya and Amu-Darya rivers. The All-Union State Planning, Surveying and Scientific Research Institute of Water Management Construction prepared a technical and economic report on the regulation of the Aral's water regime and environmental protection. However, this important work has not yet received its logical conclusion. In our opinion, now it is necessary to prepare detailed planning estimates with variants with and without the transfer of Siberian rivers to the country's south.

Taking into consideration the fact that the development of the region's national economic complex is hampered by climatic conditions, the proposal on the introduction of compensation measures for ensuring equal conditions for the population's vital activity deserves attention. These measures should include the establishment of regional wage coefficients in the Aral Sea Area and a preferential distribution of capital investments for the social and domestic infrastructure.

A rise in the level of employment of the oblast's population in public production is another social problem of no lesser importance. An insufficient utilization of labor resources is due mainly to a change in the specialization of individual industrial agricultural enterprises, as well as to organizational reasons. A full and more efficient utilization of labor resources can be attained through the establishment of new work places corresponding to the level and structure of the population's needs, combination of women's full employment with their incomplete work day and week employment schedule and work at home.

The speech by Comrade K. U. Chernenko at the October (1984) Plenum of the CPSU Central Committee stressed that with the largest volumes of irrigation we go to the country's south in a fully substantiated manner: "Good land, sufficient heat and labor resources are available here."

Such regions also include Kzyl-Orda Oblast. This is due to the fact that the Aral Sea Area has at its disposal vast land resources suitable for irrigation, which total more than 2 million hectares.

At present more than 100 scientific institutions in the country, including in our republic, have fulfilled a large volume of scientific research on the problem of transfer of Siberian water. Planning work is carried out. The technical and economic substantiations of the plan have been examined and approved basically by the State Expert Commission of the USSR State Planning Committee.

All this gives reason to express the proposal on the acceleration of scientific and planning surveys and the entire preparatory work on the transfer of part of the flow of Siberian rivers to the Aral Sea basin.

This will make it possible to expand the output of mineral raw material resources at existing enterprises and to organize new production facilities in our republic. The development of nonferrous and ferrous metal, phosphorite and nonore raw material deposits will give a serious impetus to the development of productive forces at the Kzyl-Orda Industrial Center.

An interesting business-like discussion of the problems of and prospects for the overall development of the oblast's productive forces was held at the conference. More than 30 lectures and reports, which touched upon urgent problems of development of the oblast's national economic sectors, the mineral raw material base, an efficient utilization of water resources and environmental protection, were heard at plenary and section meetings.

Directors of ministries and departments and leading scientists at major scientific research institutes in Moscow and Alma-Ata, analyzing the state of affairs in various sectors of the oblast's economy, shared their thoughts about how to more rapidly develop the region's productive forces, to better utilize the existing industrial potential and to more successfully solve social and economic problems.

The report by K. S. Sarzhanov, the republic's minister of the fish industry, was devoted to the state and further development of the oblast's fish industry.

The maximum possible development of the commodity fish industry, the minister said, is the only correct way under existing conditions of limited water resources. It can not only replace a certain quantity of fish, but also ensure the employment of the fishing population in the Aral Sea Area. On this plane the Ministry of the Fish Industry implements a number of practical measures.

Two fisheries have been built and begun to produce products. Glavrissovkhosstroy has embarked on the construction of the Kazalinsk Full-System Pond Fishery of an annual capacity of 700 tons of commodity fish. The second stage of the Kzyl-Orda Pond Fishery of the same capacity will be built in the future. The Kamyslybashskiy Fish Nursery, where 7 to 8 million fingerlings of common and wild carp are bred annually, operates. Four commodity lake fisheries, in which 900 to 1,000 tons of commodity fish are obtained annually, have been organized on an area of 22,000 hectares of lakes. Two more farms will appear during the future five-year plan. Ways of utilizing the Aral Sea for fishing purposes have been worked out.

Among the pivotal problems examined at the conference considerable attention was paid to problems of long-term development of key national economic sectors and an efficient placement of new production facilities. R. Yu. Kuvatov, head of a department of NIEIPiN under the Kazakh SSR State Planning Committee, academician of the All-Union Academy of Agricultural Sciences imeni V. I. Lenin, noted in his report "Major Structural Shifts in the Development of the Industrial Complex in Kzyl-Orda Oblast" that the long-term development of the region's national economy should meet the tasks of intensification of existing

specialization and provision of an overall utilization of natural and labor resources. This is attained through the further improvement in the development and placement of industrial sectors interconnected with agricultural production and the establishment of new machine building enterprises. The oblast's characteristic lies in the fact that its industry will be specialized primarily in the production of products of group "B" sectors, that is, food products and consumer goods. Industrial sectors forming part of group "A" should develop basically to the extent that this is necessary for a successful functioning of the agroindustrial complex placed here.

In connection with the large-scale program for forthcoming reclamation work the construction of a reclamation machinery plant is recommended. The construction of a cutting tool plant is also envisaged. In addition to machine building and metalworking an increase in the proportion of production will take place in light, milling-hulling and mixed feed industries. New production facilities for the processing of local agricultural raw materials will appear in small and medium-size cities. In the oblast, R. Yu. Kuvatov stressed, it is necessary to carry out extensive economic and organizational work on overcoming the lag in the output-capital level in light and food industries. The same situation is observed in individual sectors of industry in the level of labor productivity.

An analysis of data over a long period of national economic development makes it possible to conclude that in the oblast there are considerable possibilities for changing the correlation of extractive and processing sectors of industry and the formation of a highly developed agroindustrial complex is connected with an expedient change in the structure of machine building, centralization of small repair enterprises and establishment of a local base for the production of agricultural machines.

An efficient placement of industrial enterprises becomes one of the key directions in ensuring an overall development of the national economy and an accelerated transfer of the economy to the intensive path of development. Zh. S. Khusainov, deputy director of the Scientific Research Institute for Automated Planning and Control Systems under the Kazakh SSR State Planning Committee, candidate of economic sciences, presenting a joint report of the Council for the Study of Productive Forces and of the Scientific Research Institute for Automated Planning and Control Systems, stated that it was necessary to take into consideration regional factors and conditions, the availability of mineral raw material, water, land and labor resources, the capacity of the construction base and the state of the social and production infrastructure.

At the same time, the consideration of all favorable factors determining the efficiency of regional industrial development, their economic evaluation and scientifically substantiated forecasting is of decisive importance. In other words, the solution of the problem of an efficient development and placement of industrial production facilities requires a profound and all-around study of the region's economic potential.

Provision with labor resources and high rates of population growth should be included among the favorable factors for the industrial development of Kzyl-Orda Oblast. This stimulates the establishment of labor-intensive industrial production facilities with a high degree of technical equipment and with advanced

production and technological processes. The high level of agricultural production serves as a reliable base for the development and placement of the processing sectors of industry and the construction of new projects producing means of production for agriculture. Small cities can be considered potential centers for the development and placement of industrial enterprises. Finally, the region's geographical proximity to West and South Kazakhstan and transport accessibility to the regions of the Urals and Central Asia are vast potentials for the oblast's efficient participation in the intrarepublic and all-Union division of labor.

In connection with the acute water shortage, Zh. S. Khusainov believes, the development of an overall regional program for an efficient utilization of surface and underground water resources in the national economy becomes very urgent. Such a program should envisage all the measures for applying and protecting water resources and cleaning them of pollution with calculations of the necessary expenditures on each measure with the reflection of the means and ways of realizing these measures in terms of periods. The program should objectively combine the interests of water consumers for a long-term period, which will make it possible to efficiently utilize the basic criterion of placement and development of industrial production facilities—the minimum of combined expenditures on consumption and the minimum of the volumes of consumption of fresh water through an improvement in the technology of production of existing enterprises and the construction of new ones.

Thus, taking into consideration the indicated placement factors and the existing structure of the oblast's industry, it can be concluded that the region's further industrial development should proceed in three directions.

First. Establishment of affiliates of large specialized industrial associations located on the republic's territory, as well as in the regions of the Urals and in the Central Economic Region, which have an acute shortage of labor resources.

Second. Improvement in the organizational structure of management in industry. It makes it possible to more widely utilize the advantages of concentration, specialization, cooperation and combination of production and centralized auxiliary and service production facilities and to improve planning and material and technical supply. For the solution of these problems it is necessary to make an all-around analysis and calculations for the substantiations of the structure, technological and production relations and basic technical and economic indicators of the established production association. The establishment of production associations not only within the framework of one sector, but the formation of large production and economic complexes with the inclusion of enterprises of various ministries producing uniform products and having a technological compatibility, is of special importance.

In Zh. Khusainov's opinion, in Kzyl-Orda Oblast it is possible to form production associations for the production of consumer goods out of light and local industry enterprises. It is necessary to examine problems of establishment of production associations in the system of the food industry, agricultural machine building and others.

The retooling and reconstruction of industrial enterprises represent the third direction. It fundamentally solves the problem of an accelerated transfer of the economy to the intensive path of development and creates conditions for the introduction of automation and mechanization, which leads to a reduction in unskilled labor, saving of material resources and output of high-quality products. For the realization of the third direction it is necessary to develop a program for the retooling and reconstruction of industrial enterprises operating in the oblast.

The development of a program for retooling and reconstruction and the introduction of proposals for improving the organizational structure of management and for establishing affiliates can be solved successfully when every proposal has a scientific substantiation, when it is backed by calculations of the efficiency of implementation of measures and when the expected technical and economic indicators are given. Therefore, there is a need for large-scale analytical work on the preparation of substantiations for the oblast's further industrial development.

The speaker noted that the lack of the necessary statistical information, of a system survey and of an economic overall analysis of existing enterprises (in particular, the elaboration of certificates) and the insufficiency of calculations of the efficiency of placement of production facilities are some of the reasons for an insufficient qualitative substantiation of preplan materials for the development and placement of industrial production facilities. In the solution of these problems an important role is also assigned to planning bodies.

In his report "Prospects for the Development and the Structure of the Machine Building Industry in Kzyl-Orda Oblast" A. M. Masakbayev, head of a department of NIEIPiN under the Kazakh SSR State Planning Committee, candidate of economic sciences, discussed the need for the establishment of the machine building industry in the oblast, directions in the development of tractor and agricultural machine building for animal husbandry and feed production and prospects of the electrical engineering, instrument making and machine tool building industry, machine building for light and food industry and road construction and municipal machine building. The Kzylordarismash Plant will become one of the country's major machine building enterprises for the output of combines, harvesters and attachments for rice harvesting equipment. In cooperation with the country's other plants it will manufacture machinery, mechanisms and equipment for the cultivation and harvesting of rice with due regard for the soil and climatic conditions in the zone of Central Asia and Kazakhstan. The plant should serve as the basis for the solution of an overall design and technological problem for the development of special machines for rice growing. The new reclamation machine building plant in Kzyl-Orda can become a major machine building enterprise servicing the oblast's water management needs. The decision on its construction was adopted as long ago as 1971. The plant's production program was calculated for meeting the need of Kazakhstan, Central Asian, Ural and West Siberian regions for reclamation equipment. Its placement in Kzyl-Orda corresponds to the principle of bringing production closer to consumers. Unfortunately, however, construction has not begun to this day. A. Masakbayev believes that the production of such equipment on the basis of cooperation of machine building plants

located in Moscow, Aktyubinsk and Dzhambul oblasts, as well as in Central Asia, can become the most promising direction in the development of machine building for animal husbandry and fodder production in the oblast. All these plants form part of the system of the Ministry of Machine Building for Animal Husbandry and Fodder Production. The national economic efficiency of placement of the machine building plant for the manufacture of sets of equipment for sheep breeding is due to the fact that the oblast, which is located on the Moscow-Tashkent main railroad line, will be better supplied with accessories, units, assemblies and parts.

In the future it is necessary to pay attention to the optimum placement of machine building plants specializing in the production of certain kinds and typesizes of technological equipment for light and textile industries and technological equipment for food and mixed feed industries and for trade and public dining enterprises in the oblast.

Specialists of the Union Ministry of the Electrical Engineering Industry, participating in the elaboration of prospects for the long-term development of the sector's enterprises in the Kazakh SSR, considered it advisable to place low-voltage equipment plants in the oblast. In the future the electrical engineering industry can be the most important sector of republic machine building. The utilization of favorable possibilities created by a good interconnection of the oblast with other regions makes it possible to organize with a greater return the production of electrical engineering machines, equipment, electrical engineering phosphorus, ceramics, insulators, low-voltage lighting engineering equipment, products of the cable industry and electrical engineering articles for production and domestic purposes here.

Machine building and metalworking can constitute the nucleus of the future industrial zone in the Aralsk-Yanykurgan region. This, in turn, gives an impetus for the training of local skilled personnel. In conclusion A. Masakbayev said that the machine building industry, having a firm basis for development in the oblast, should become an organic part of the system of productive forces in the Aral Sea Area and contribute to an active functioning of its national economy.

The conference paid significant attention to capital construction problems. Today its rapid development is also hampered by the dissipation of building production over ministries and departments. Hence the low level of concentration and specialization and the multistage system of management. Sh. M. Akhanova, junior scientific associate at the Council for the Study of Productive Forces of the Kazakh SSR Academy of Sciences, noted in her speech that it was not within the power of low-capacity construction organizations to solve problems of industrialization and mechanization and to efficiently utilize fixed capital. The poorly developed material base also hampers progress in construction. A significant quantity of reinforced concrete and other materials is annually delivered to the oblast.

The conference indicated that management should be improved along the path of establishment of production construction and installation associations and trusts. Only under them, skillfully combining sectorial and territorial planning, is it possible to establish a powerful base and to carry out intensive

technological specialization and industrialization. It is also necessary to develop a technical and economic substantiation or an overall program, which would reflect the basic problems of improvement in building production and strengthening of its material base.

Ye. Skatkov, manager of the Kzylordastroy Trust, drew attention to the fact that the oblast had at its disposal the necessary raw materials for the production of construction rubble, lime and red brick, but they were not utilized. He believes that it is not quite correct that the material and technical supply of the Kzyl-Orda Economic Region is carried out through the interoblast organization of the Main Administration for Material and Technical Supply in the Southern Regions. The interests of the cause require a direct outlet of oblast material supply organs to republic organs.

As noted above, the participants in the conference paid the closest attention to the development of reclamation and to problems of increase in the efficiency of irrigated land and all spheres of the oblast's agroindustrial complex. To improve water supply for the national economy, it is necessary to attain a reduction in water losses in irrigation systems through an overall reconstruction of these systems and a rise in their efficiency.

A. A. Rudik, chief of an administration of the republic's Ministry of Land Reclamation and Water Resources, said in his report "Present State and Development of Reclamation in Kzyl-Orda Oblast" that, on the average, a rise in the efficiency in the Syr-Darya basin from 0.61 to 0.80 and a reduction in specific water intake from 15.3 to 10,000 or 12,000 cubic meters per hectare should be the basic indicators of such a reconstruction. An overall reconstruction of irrigation systems envisages the following: replacement of water intakes without dams with dammed ones having shore regulator locks, major repairs of existing dammed water intakes and of regulator locks, antifiltration facing of the interfarm and intrafarm irrigation network, full equipment of distributing intrafarm canals with hydraulic structures, capital leveling of irrigated areas, repair of existing and construction of new collector and drainage networks and an extensive application of automated system control.

Total capital investments in the overall reconstruction of irrigation systems in the Syr-Darya river basin have been determined at 11 billion rubles. The execution of the indicated reconstruction will make it possible to save 420 million cubic meters of irrigated water annually.

For the purpose of improving water supply in Kzyl-Orda Oblast A. A. Rudik made specific proposals. It is necessary to attain a strict observance by the USSR Ministry of Land Reclamation and Water Resources of the limit of the inflow of water into the Chardara Reservoir and to accelerate work on the overall reconstruction of irrigation systems in the Syr-Darya river basin, embarking on preparatory work in 1985.

The Kzyl-Orda Oblast Administration of Water Resources and the Aral Syr-Darya Basin Inspectorate must increase the demands on the quality of state recording and reporting on water use and carefully control water intakes from the Syr-Darya river to irrigation systems, fully excluding any excess of limits established by permits for special water use and approved by water use plans.

Chimkent and Kzyl-Orda oblast executive committees must give proposals on a complete stoppage of the discharge of some sewage into the Syr-Darya River in the next 2 to 3 years, irrespective of the degree of its purification. It is necessary to implement other measures ensuring the possibility of maximally utilizing the sewage formed in the basin on irrigated agricultural fields.

Finally, it is necessary to build structures for a full biological and chemical purification of sewage and waste liquid in Tashkent and Chirchik.

E. F. Gossen, first deputy chairman of the Presidium of the All-Union Academy of Agricultural Sciences imeni V. I. Lenin, winner of the Lenin Prize, said in his speech that on the basis of an analysis of the existing situation with rice sowing in the oblast and existing possibilities it would be advisable to implement a number of measures ensuring an increase in the efficiency of utilization of irrigated land. An efficient recording of all land unsatisfactory in terms of reclamation and an accelerated development and series production of highly productive machines for irrigated land, in particular for rice cultivation, is important.

The Kazakh Scientific Research Institute of Rice must develop agricultural requirements for new machines, expand and intensify selection and accelerate the development of new varieties with a high response to increased fertilizer doses, nonlodging with a yield of 60 quintals per hectare and more and suitable for a programmed cultivation of rice with a high quality of groats.

It is advisable to carry out through the efforts of water management and planning organizations an overall planning of rice and fodder crop rotations, as well as hayfields and pastures located nearby (for the purpose of utilizing waste, collector-drainage and underground water for the solution of the fodder base for animal husbandry). This would make it possible to organize large fodder extracting brigades for waste-free processing of rice straw, cane and green fodder from fodder crop rotations into briquettes and granules for fattening sheep and cattle.

The Karaul-Tyubinskoye Experimental Farm should become an interdepartmental base for the development, testing and introduction of innovations in rice sowing.

K. A. Alimbetov, director of the Kazakh Scientific Research Institute of Rice, said in his speech that an increase in the harvest on all areas was the main and only way of increasing rice production. Variegation in the yield is the result of a proprietary and inefficient attitude toward land and toward the achievements of science and advanced practice. In the oblast there are many brigades and links, where crop rotations are not observed, field work is not carried out promptly, the water regime is violated and scientifically substantiated recommendations for the utilization of fertilizers are not fulfilled. Large grain deficiencies are the result. The responsible tasks facing rice growers are feasible only on the basis of an extensive application of the achievements of science and advanced experience. The programming of high harvests of agricultural crops is one of the directions of scientific and technical progress in agrarian policy.

As is well known, many factors--agrotechnical, hydrogeological reclamation, agrochemical and climatic--have an effect on the harvest. All of them are controlled by different organizations and departments. Therefore, an overall analysis of the degree and nature of the effect of various factors on the rice harvest essentially has not been performed thus far. In other words, agricultural projects (sovkhозes, brigades, crop rotations and fields) have not been studied objectively.

The director of the scientific research institute reported further that, as a result of long-term research jointly with the Institute of Hydrogeology and Hydrophysics of the Kazakh SSR Academy of Sciences, basic propositions for the preparation of initial data for an analysis on computers have been developed and acceptable methods of statistical analysis have been selected.

On the basis of this method numerical models of the rice harvest have been developed directly under production conditions. Work on "Temporary Recommendations for the Programming of the Rice Harvest in Kazakhstan" is now being completed.

It was noted at the conference that the oblast had big opportunities for an accelerated development and increase in the efficiency of all the spheres of the agroindustrial complex. It will be necessary to implement special measures for the development of agriculture and the entire agroindustrial complex for meeting the population's need for food products through local production. The speakers proposed an improvement in the system of management of agricultural production on the basis of specialization, interfarm cooperation and agroindustrial integration with due regard for the oblast's natural and economic characteristics. In this respect it is necessary to note the interesting reports by Candidate of Economic Sciences A. D. Shlegel' from the Council for the Study of Productive Forces of the Kazakh SSR Academy of Sciences, Candidate of Economic Sciences K. Zh. Zhakupov , head of a department, and Candidate of Economic Sciences B. I. Zhakashev , senior scientific associate at the Kazakh Scientific Research Institute of Economics and Organization of Agriculture.

The existing specialization of agricultural production sectors, that is, rice sowing and melon growing in plant growing and sheep and cattle breeding in animal husbandry, is to be retained in the oblast in the future. To retain and increase the productivity of pastures, it was proposed that pasture rotations and a seasonal utilization of pastures be introduced everywhere. A scientific debate on individual problems of the economy and organization of agriculture was held. In particular, they include problems connected with the specialization of sheep breeding in the oblast's individual regions.

"The Aral Sea Area needs maximum help in the development of Kzyl Kum pastures, construction of oasis irrigation and social development of new sheep breeding sovkhozes," Ye. B. Tnyshtykbayev, first deputy chairman of the oblast agroindustrial association, chief of the oblast administration of agriculture, stated in his speech. "It is necessary to organize new trusts for the construction of sheep breeding sovkhozes and intrasettlement water pipes and to increase the volumes of the Ministry of Rural Construction and the Kazakh Interkolkhoz Construction Trust. Agroindustrial associations, kolkhozes, sovkhozes, procurement enterprises and organizations and those servicing rural

areas direct their efforts toward a better utilization of land and all productive capital, especially its active part--machinery, equipment and material and financial resources. The oblast's food industry should develop both through the construction of new enterprises and the retooling of existing production facilities. For the purpose of increasing the production of whole-milk products the construction of dairy plants in Novokazalinsk and Chiili is proposed. The construction of a bakery of a capacity of 53 tons of articles per shift is an urgent need. The construction of an initial winemaking plant of a capacity of 4,000 tons will make it possible to increase the production of wine products. In the next few years it is necessary to retool the Kzyl-Orda Meat Combine for an increase in poultry meat processing.

In the Aral Sea Area there are all the conditions for an efficient development of an agroindustrial rice complex. Now it is not provided with elevator-warehouse capacities taking into consideration the yield fluctuation coefficient. For these purposes the construction of a large elevator at the Dzhagalash Station is being completed and the construction of an elevator in Kazalinsk is being proposed. Existing rice plants process 75 percent of the procured rice. After the commissioning of Dzhusaly and Kazalinsk hulled products plants during the 12th Five-Year Plan all rice will be processed in the oblast.

The conference examined various aspects of the oblast's social and economic development (speech by S. K. Kamalov, chairman of the Presidium of the Karakalpak Affiliate of the Uzbek SSR Academy of Sciences, academician of Uzbekistan's Academy of Sciences, and B. Ya. Dvoskin, deputy director of the Institute of Geography of the Kazakh SSR Academy of Sciences, doctor of geographical sciences) and problems of increase in the efficiency of utilization of labor resources (speech by K. B. Bazarbayev, chief of the Department of Labor Resources of the Kazakh SSR State Committee for Labor). Two sections worked at the conference: "Problems of Development of National Economic Sectors" (academician R. Yu. Kuvatov, leader) and "Problems of an Efficient Utilization of Water Resources and Environmental Protection (A. K. Dzhakelov, general director of the Kazgidrogeologiya Polar Geophysical Laboratory, leader). Important fundamental problems of the long-term development of the Aral Sea Area were raised in the course of their work. Basically, all reports were built on the materials of pertinent scientific research. Those that contained the results of developments approved and prepared for introduction were of the greatest value.

A total of 15 lectures and reports on urgent problems of an efficient utilization of water resources and environmental protection were heard. Problems of an accelerated solution of household and drinking water supply for the population were raised most acutely.

Reports by G. B. Begaliyev, G. B. Makul'bekova, T. F. Nekrasova and T. I. Budnikova with coauthors showed the basic tendencies in the deterioration in the quality of surface water of Syr-Darya and Amu-Darya rivers. Specific proposals on the fight against these undesirable processes were made.

The report by Zh. S. Sydykov, corresponding member of the Kazakh SSR Academy of Sciences, with coauthors evaluated the effect of the shoaling of the Aral Sea and the decline in the flow of the Syr-Darya under the hydrogeological

conditions of the Aral Sea Area. The reports by N. M. Bondarenko and T. K. Aytuarov illuminated the prospects for the utilization of mineral and thermal water as the sanatorium-health resort base and cheap thermal energy and showed the primary regions of their development.

The report by V. P. Bochkarev with coauthors evaluated the latest anthropogenic changes in the engineering and geological conditions of the Aral Sea Area and their intensity.

Workers at the Council for the Study of Productive Forces--I. K. Akhmetov, head of a department, and Sh. Sh. Shurabekova, senior scientific associate--presented the report "Problems of Development of the Construction Materials Industry in Kzyl-Orda Oblast" at the scientific-practical conference. The topics by scientific associate R. D. Kadyrzhanova were "Problems of Development of the Food Industry in Kzyl-Orda Oblast," by senior scientific associate S. K. Kayupov, "Prospects for the Utilization of Mineral Resources of the Aral Sea Area" and by department head B. S. Samoylenko, "Prospects for the Development of Agriculture in Kzyl-Orda Oblast." Senior scientific associate S. K. Kazhenbayev discussed the ways of preserving the region's fishing potential, scientific associate G. N. Areshchenko, the prospects for the development of the oblast's transport network and senior scientific associate R. B. Zhumbayev, the solutions of socioeconomic problems of increasing the efficiency of utilization of labor resources.

The need for an overall solution of the problem of an efficient utilization of water resources and environmental protection in the interest of development of all the national economic sectors in the oblast was the dominant theme in the suggestions.

Specific proposals for an efficient placement of the oblast's productive forces, an effective development of national economic sectors and the solution of problems of utilization of water resources and environmental protection are recorded in the recommendations of this conference.

#### Conference Recommendations for Mineral Raw Material Resources and Development of Industry:

The Kazakh SSR Ministry of Geology must carry out detailed prospecting of minerals for the establishment of the raw material base of the Ust-Kamenogorsk Titanomagnesium Combine, which has a shortage of raw materials;

must ask the USSR Ministry of Ferrous Metallurgy to accelerate the exploitation of ores of the Lisakovsk type with due regard for their overall processing, which will make it possible, apart from the basic component of iron, to additionally extract other elements and to utilize phosphorus slag as an effective and cheap fertilizer;

must ask the USSR Ministry of Mineral Fertilizer Production, when solving the water supply problem, to envisage the construction of a large ammophos plant for the production of nitrogen and phosphorus fertilizers on the basis of the explored reserves of deposits of the Kazalinsk group.

The Ministry of the Construction Materials Industry, the Kazakh SSR Ministry of Land Reclamation and Water Resources and Glavrissovkhозstroy, for the elimination of the shortage of local building materials, must reconstruct and expand existing enterprises and build new ones on the basis of the explored deposits of building materials.

The Kazakh SSR Ministry of the Food Industry must begin in 1985 the construction of a concentrating complex on the basis of large reserves of sodium chloride in the Aral Sea Area.

The Kzyl-Orda Oblast Executive Committee jointly with appropriate ministries:

- a) along with existing sectors (hulling-milling, salt and light sectors) must expand the oblast's production specialization through the establishment of new production facilities for the extraction and concentration of lead-zinc ores and the output of mixed feed and household chemical products and in the intra-republic division of labor envisage the oblast's further participation in the production of products of agricultural machine building and of food, pulp-cardboard and light industries.
- b) must envisage the outstripping development of machine building determining technical progress. The totality of large enterprises for the production of means of production for agriculture should serve as the basis for the machine building complex;
- c) for the purpose of increasing the efficiency of the oblast's social and economic development must also envisage the outstripping development of industrial sectors noted for a low water-retaining capacity and make it possible to raise the level of the population's employment and establish affiliates of large specialized enterprises in small and medium-size cities.

The Kzyl-Orda Oblast Executive Committee must present proposals to ministries of machine building for animal husbandry and fodder production, electrical equipment, instrument making and machine tool building industries, machine building and the food industry and household appliances on the advisability of construction of machine building plants, in particular a plant for the production of reclamation equipment, medium-level computer hardware, household chemical goods, reinforced concrete articles and keramzit wall materials from cellular concrete, metal articles and low-voltage equipment, a plant for the production of illumination engineering equipment for agriculture, installation articles and structures, equipment for the mechanization of sheep breeding and sprinkling machines, as well as factories, that is, worsted-spinning, fur, sewing, felting, yurt building and carpet weaving factories, in the cities of Kzyl-Orda, Aralsk and Kazalinsk and in the settlements of Terenozek, Chilli, Dzhusaly, Yanykurgan and so forth.

#### In the Area of Development of Agriculture

The Ministry of Agriculture and the Kazakh SSR Ministry of the Fruit and Vegetable Industry:

- a) must preserve in Kzyl-Orda Oblast the existing specialization of agricultural production sectors: rice sowing and melon cultivation in plant growing and sheep and cattle breeding in animal husbandry;
- b) must develop dairy cattle breeding on farms located around cities and industrial centers;
- c) must develop specialized farm associations and interfarm enterprises for increasing the size and fattening of livestock and for the breeding of replacement heifer-calves;
- d) for the preservation and increase of the productivity of pastures must introduce pasture rotations and a seasonal utilization of pastures and expand their watering;
- e) must establish long-term cultivated pastures on an area of no less than 12,000 hectares;
- f) must fundamentally improve pastures and natural hayfields on an area of no less than 285,000 hectares.

The Kazakh SSR Ministry of Forestry must plant pasture protective saxaul forest belts on an area of no less than 25,000 hectares.

The Soyuzgiproris Institute jointly with the Institute of Soil Science of the Kazakh SSR Academy of Sciences, the Institute of Rice, the All-Union Association of the All-Union Academy of Agricultural Sciences imeni V. I. Lenin and the Oblast Agricultural Administration must refine the volumes, structure and order of execution of work on a qualitative improvement of existing irrigated land on tracts and farms on the basis of the materials of the reclamation cadaster and the economic efficiency of implemented measures.

The Oblast Agricultural Administration and the Oblast Scientific Production Association of Agrochemical Services to Agriculture must introduce scientifically substantiated grain, vegetable and fodder crop rotations on all the oblast's farms with the application of the necessary volumes of mineral fertilizers to crops.

The Eastern Department of the All-Union Academy of Agricultural Sciences imeni V. I. Lenin must intensify work on the development and introduction of new varieties of agricultural crops responsive to irrigation meeting the requirements of industrial technology and corresponding to the oblast's natural and climatic conditions.

#### In the Area of Water Resources and Fishing:

Ask the USSR Ministry of Land Reclamation and Water Resources:

- a) To strictly observe the limits of inflow of water to the Chardara Reservoir;

- b) to establish in the delta of the Syr-Darya systems of running-water lakes for a natural biological purification of collector water and its utilization for the watering of pasture-hayfield land for the purpose of developing animal husbandry and fishing;
- c) taking into consideration the great socioeconomic and, primarily, fishing significance of the Aral Sea, to begin the artificial separation of the Aral into a big and a small sea through the construction of a dam in the Straits of Berg;
- d) to instruct the All-Union State Institute for the Planning of Water Resources and Land Reclamation Construction to draw up planning estimates for the regulation of the Aral's water regime and for the prevention of desertification and salinization of the deltas of Syr-Darya and Amu-Darya rivers;
- e) to carry out the construction of an installation for a complete biological and chemical purification of sewage and waste liquid in the cities of Tashkent, Chirchik and so forth so that clean water meeting the requirements of the All-Union State Standard in its quality may enter the Chardara Reservoir.

Chimkent and Kzyl-Orda oblast executive committees must attain a complete cessation in the next 2 or 3 years of the discharge of sewage of industrial enterprises to the Syr-Darya River and utilize it on agricultural irrigated fields.

The Kazakh SSR Ministry of Land Reclamation and Water Resources must ensure a full mechanization and automation of water intake in the head of main and distributive canals.

Kazakh SSR ministries of land reclamation and water resources and of geology must speed up work on the transfer of water supply for settlements everywhere to underground water. On territories where there is no fresh underground water they must widely expand the introduction of distilling units.

The Kazakh SSR Ministry of Land Reclamation and Water Resources jointly with the republic's Ministry of Housing and Municipal Services must intensify the rates of construction of water intakes of centralized water supply for cities and large settlements at the expense of explored underground water deposits.

The Institute of Hydrogeology and Hydrophysics of the Kazakh SSR Academy of Sciences and the Kazgidrogeologiya Production Association of the Kazakh SSR Ministry of Geology must continue research:

- a) on the refinement of geological exploitative underground water resources possible for utilization in various national economic sectors in the oblast and on the buildup of explored reserves most highly efficient for the development of fresh mineral and thermal water deposits;
- b) on the development of scientific and technical principles of an efficient utilization of underground water, control of water intake exploitation regimes and reduction of water losses during exploitation, as well as on the substantiation of efficient means of consumption of underground water for irrigation excluding salinization and swamping.

Kazakh SSR ministries of agriculture and of land reclamation and water resources must speed up the preparation of a long-term plan for the development of explored underground water deposits for the watering and irrigation of land for the purpose of establishing a firm fodder base for animal husbandry.

The Kazakh SSR Ministry of Land Reclamation and Water Resources must examine the possibility of establishment in Kzyl-Orda Oblast of a reclamation service for a systematic observation of the reclamation state of irrigated land and the elaboration of recommendations for its improvement.

It must ask the USSR Ministry of Land Reclamation and Water Resources to include in the 12th Five-Year Plan construction work on the main canal for the transfer of part of the flow of Siberian rivers to the Aral Sea basin.

The Kazakh SSR Ministry of the Fish Industry and Kazakhribvod:

- a) For the purpose of preserving the fishing importance of the Aral basin must acclimatize salt-water sea fish;
- b) must maintain a leveled regime of small lakes of the Aral basin and utilize them more fully for fishing purposes and at the base of Aksay-Kuandarya, Irgiz and Kara-Uayak lakes organize lake commodity fisheries.

In the Area of Social-Economic Problems and Environmental Protection:

Must further develop the oblast's social infrastructure at the first stage (the year 2000) up to the average republic level and at the second (the year 2020), exceeding this level, for which:

The Kazakh SSR Ministry of Consumer Services must strengthen the sector's further intensification and increase the volume of sale of consumer services 2.5-fold by the year 2000, especially in rural areas.

Glavrissovkhosstroy must ensure an overall construction on irrigated land, including agricultural buildup, road construction and prompt commissioning of housing, children's institutions and projects for cultural and general purposes;

The Kzyl-Orda Oblast Executive Committee must work out measures to increase the efficiency of utilization of women's labor resources ensuring women's incomplete work day and week employment schedules and work at home.

The Kzyl-Orda Oblast Executive Committee jointly with ministries and departments must perform work:

- a) on consolidating construction and installation organizations and enterprises of the construction industry;
- b) on a significant rise in the level of specialization of construction and installation organizations;
- c) on eliminating many stages in the management of construction and ensuring a transfer to a two- or three-link management system.

The USSR Ministry of Railways:

- a) must increase the traffic capacity of the existing railroad network;
- b) must provide for the construction of new railroad lines, which will make it possible to improve transport services for the oblast, as well as to streamline the transport and economic relations of Kzyl-Orda Oblast with other regions of Kazakhstan and Central Asia.

The Kazakh SSR Ministry of Motor Roads:

- a) must provide the entire network of motor roads with a hard surface, as well as envisage the construction of new roads to sheep breeding farms in the oblast;
- b) reconstruct the Chimkent-Kzyl-Orda-Aralsk statewide motor road with an increase in its technical category.

The Kazakh SSR Ministry of Housing and Municipal Services:

must give priority to the development of intracity transport in Kzyl-Orda as a result of an increase in the number of bus routes on the city's heavy-passenger highways.

The Kazakh Administration of Civil Aviation must perform work on the reconstruction of the base airport in Kzyl-Orda for the reception of new types of airplanes, as well as on the development of a network of local air lines.

The Kazakh SSR Ministry of Agriculture and forestry farms in Kzyl-Orda Oblast must carry out work on fastening the dried bottom of the Aral Sea by methods of phytoreclamation, as well as by means of physical and chemical soil fasteners, and include saxaul, camel's thorn, licorice and tamarisk in top-priority phytoameliorants from the species of local flora.

The Kazakh SSR Academy of Sciences and the Kzyl-Orda Oblast Executive Committee for the study of processes of the natural formation of natural complexes must organize stationary observations of the monitoring type, for which it must establish the Aral ecosystem station-stationary establishment with picket-polygons.

The Main Administration of Hunting and Game Preserves under the Kazakh SSR Council of Ministers must staff the Barsakelmes Game Preserve with scientific associates and continue and intensify scientific research on vegetation and the animal world.

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